SIXTY - SIXTH

Annual Report

FOR YEAR ENDED
DECEMBER 31,

1960

The Right Way

CENTRAL OF GEORGIA RAILWAY COMPANY

BOARDS
MRb
q652.0973
C329r

BOARD OF DIRECTORS

Allison W. Ledbetter, Chairman
Rome, Georgia

James M. Barry, Birmingham, Ala.
Ambrose W. Benkert, New York, N. Y.
Earle F. Bidez, Savannah, Ga.
Frank E. Bone, Milledgeville, Ga.
Erle Cocke, Atlanta, Ga.
Donald Comer, Birmingham, Ala.
William E. Dillard, Savannah, Ga.
Robert W. Groves, Savannah, Ga.
Chas. C. Hertwig, Macon, Ga.
Julian T. Hightower, Thomaston, Ga.
Thomas M. Johnson, Savannah, Ga.
Earl Knudsen, Pittsburgh, Pa.
Jack J. McDonough, Atlanta, Ga.
Walter C. Scott, Savannah, Ga.
Benjamin J. Tarbutton, Sandersville, Ga.
Martin L. Tressel, Pittsburgh, Pa.
D. Abbott Turner, Columbus, Ga.

EXECUTIVE COMMITTEE

Allison W. Ledbetter
Chairman

W. E. Dillard
J. J. McDonough
B. J. Tarbutton
D. A. Turner

THE STAFF

W. E. Dillard, President and
General Manager, Savannah, Ga.

E. F. Bidez, Executive Vice President
Savannah, Ga.

H. L. Perkins, Vice President
Atlanta, Ga.

W. C. Scott, Vice President
Savannah, Ga.

W. P. Haynes, Comptroller
Savannah, Ga.

E. C. Jones, Chief Traffic Officer
Savannah, Ga.

John B. Miller, General Counsel
Savannah, Ga.

B. D. Helmken, Secretary
Savannah, Ga.

M. M. McLaughlin, Assistant Secretary
Savannah, Ga.

W. H. Saffold, Treasurer
Savannah, Ga.

**CENTRAL
OF GEORGIA
RAILWAY COMPANY**

HIGHLIGHTS OF INCOME ACCOUNT AND OPERATING STATISTICS

	1960	1959	1958	1957	1956
Operating Revenues	$ 41,798,258	$ 44,156,250	$ 42,557,534	$ 44,212,202	$ 44,785,471
Operating Expenses	$ 36,952,594	$ 37,002,286	$ 36,464,890	$ 36,078,130	$ 35,984,233
Operating Ratio (Expenses to Revenues)	88.41	83.80	85.68	81.60	80.35
Taxes	$ 3,325,423	$ 3,215,775	$ 2,595,070	$ 3,093,011	$ 3,141,144
Income Available for Fixed Charges	$ 2,459,432	$ 4,474,211	$ 4,281,662	$ 5,175,045	$ 5,155,452
Fixed Charges	$ 1,523,158	$ 1,564,873	$ 1,675,882	$ 1,363,005	$ 1,243,409
Times Fixed Charges Earned	1.61	2.86	2.55	3.80	4.15
Other Deductions (Contingent Interest)	$ 582,186	$ 595,658	$ 604,113	$ 608,359	$ 612,065
Net Income After Fixed Charges and Other Deductions	$ 354,088	$ 2,313,680	$ 2,001,667	$ 3,203,681	$ 3,299,978
Shares of Capital Stock Outstanding as of End of Year:					
Preferred Stock	170,394	170,394	170,417	170,417	170,417
Common Stock	337,242	337,242	337,242	337,242	337,236
Tons of Revenue Freight Hauled (Thousands)	18,478	18,998	16,863	16,996	17,905
Revenue Ton Miles (Thousands)	3,135,529	3,284,775	3,050,093	3,118,789	3,207,991
Average Revenue Per Ton Mile	$ .0120	$ .0123	$ .0125	$ .0126	$ .0124
Passengers Carried	315,485	316,975	328,432	406,512	429,751
Passengers One Mile (Thousands)	52,583	53,615	56,767	69,103	73,416
Revenue Per Passenger Mile	$ .0270	$ .0264	$ .0255	$ .0253	$ .0245
Average Number of Employees	3,421	3,529	3,678	4,064	4,413
Total All Wages	$ 20,263,474	$ 20,895,381	$ 20,474,996	$ 22,274,263	$ 22,624,175
Miles of Road Operated at End of Year	1,745	1,745	1,763	1,763	1,764

MAR 27 1961 A

TO OUR STOCKHOLDERS

With the exception of the year 1949 conditions during the year ended December 31, 1960 were the most unsatisfactory experienced by your Company since its reorganization in 1948.

Net income after fixed and contingent charges for 1960 was $354,088, a decrease of $1,959,592, or 84.7% under 1959. Sinking fund requirements of our mortgages absorbed $129,567, leaving only $224,521 for other corporate purposes. Capital expenditures and reduction of long term debt greatly exceeded this small balance, resulting in a decrease of $2,076,411 in our Net Current Assets as of December 31, 1960 as compared with 1959 year-end.

Under these circumstances and the further fact that there has been no upturn in business thus far in 1961, your Management was forced to recommend that no dividend be declared on the Preferred or Common stocks.

During 1960 the Central handled 474,267 cars of freight, a decrease of 23,122 cars or 4.65% under 1959. Freight revenue for 1960 was $37,692,525, which was $2,533,209 or 6.3% less than in 1959. This decrease was partly offset by increase in other revenues, resulting in a decrease in total railway operating revenues of $2,357,992 or 5.34%.

Efforts to cope with the decline in revenues by reducing expenses were largely offset by increases in wage rates and the prices of materials and supplies. Although maintenance allotments were cut to minimum necessities and rigid control of expenses was maintained, the decrease in total operating expenses amounted to only $49,692, which was more than offset by an increase of over $92,000 in Federal Retirement and Unemployment Insurance taxes growing out of amendments to the Retirement and Unemployment Acts which became effective June 1, 1959.

In an effort to recoup a part of the increase in cost of operations Central joined other railroads in a petition to the Interstate Commerce Commission for authority to make very modest increases in freight rates and charges. In this proceeding, known as Ex Parte 223, the Interstate Commerce Commission permitted the proposed increases, with some exceptions, to be applied to interstate traffic effective October 24, 1960. Hearings have been held on applications filed with the Public Service Commissions of Georgia and Alabama for similar increases on intrastate traffic. These applications are still pending. It is estimated that the increases authorized by the Interstate Commerce Commission on interstate traffic will produce about $450,000 additional revenue per annum for Central of Georgia, and if the State commissions permit the increases on intrastate traffic the annual increase in revenue from such traffic will amount to about $325,000.

New equipment received in 1960 includes eight 1800 H.P. Diesel-Electric Road-switcher locomotives, one hundred covered hopper cars and ten 100-ton capacity cast steel underframe flat cars especially equipped to handle coiled tin plate. The locomotives and covered hopper cars were acquired under Conditional Sale Agreement aggregating $2,605,200, payable in thirty semi-annual installments with interest at the rate of 5¾% per annum. The cost of the ten tin-plate cars was paid out of current cash.

New rail of 115 pounds section weight was laid in 19.4 miles of main line track during 1960, releasing 90 pound relay and scrap rail.

The construction of a new high-level bridge over the Chattahoochee River at Eufaula, Ala. was started in 1960. The new bridge was made necessary due to construction of a lock and dam at Ft. Gaines, Ga. by the U. S. Government. The bridge is being constructed by the Railway under a contract with the U. S. Corps of Engineers whereby the Railway will be paid an agreed amount which it is estimated will be sufficient to cover the cost of the new bridge.

Thirty-six new industries located on our lines during 1960, some of the larger plants being Knox Glass, Inc., Forest Park, Georgia; The Sherwin-Williams Company, Morrow, Georgia; Burton-Dixie Corporation, Hapeville, Georgia; The General Tire and Rubber Company, Macon, Georgia; Deerfield Glassine Company, Nixon, Georgia, and a distribution warehouse of Gold Bond Stamp Company, Forest Park, Georgia. The new paper and pulp mill of Continental Can Company at Nixon, Georgia was completed and placed in operation in November 1960. When this mill is in full production it will contribute a substantial volume of new traffic for movement over our lines. Prospects for continued industrial expansion in our territory during 1961 are encouraging.

There has been a rapid rise in the volume of freight being handled in trailers on flat cars and in the movement of automobiles in double and triple deck cars. In order that we may participate in such traffic Central of Georgia has acquired a proprietary interest in the Trailer Train Company, having purchased 500 shares of stock at a cost of $150,105. Trailer Train has a large and modern fleet of equipment designed especially for "piggyback" operations, which will be available for use on our lines on a per diem and mileage payment basis. Plans for inauguration of this type of service on Central are progressing rapidly and it is expected that a good volume of freight will be moving "piggyback" over our lines before the end of 1961.

On December 15, 1960 Southern Railway Company applied to the Interstate Commerce Commission (Finance Docket No. 21400) for approval of its proposed purchase of the Central of Georgia stock now owned by St. Louis-San Francisco Railway Company and held by The Hanover Bank, of New York City, as Trustee. In its application the Southern states that upon approval of the transaction by the Commission it would buy any additional shares of preferred and common stock that may be offered at the same prices paid for the Frisco stock; viz. $54.29 per share for the common and $81.69 for the preferred.

No date has been fixed for hearings on the Southern petition, but it is expected that this will be done at an early date.

We gratefully acknowledge with deep appreciation the continued loyalty and support of the Company's shareholders, patrons, employees and officers.

AW Ledbetter

A. W. LEDBETTER,
Chairman of the Board

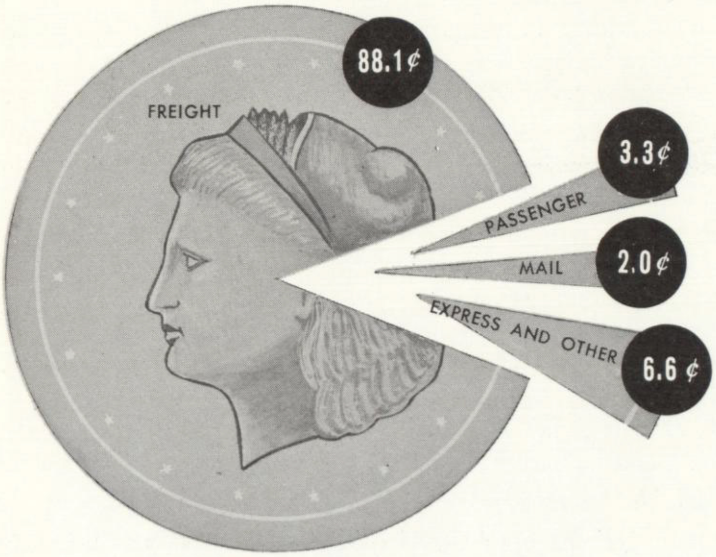
W E Dillard

W. E. DILLARD,
President

March 15, 1961

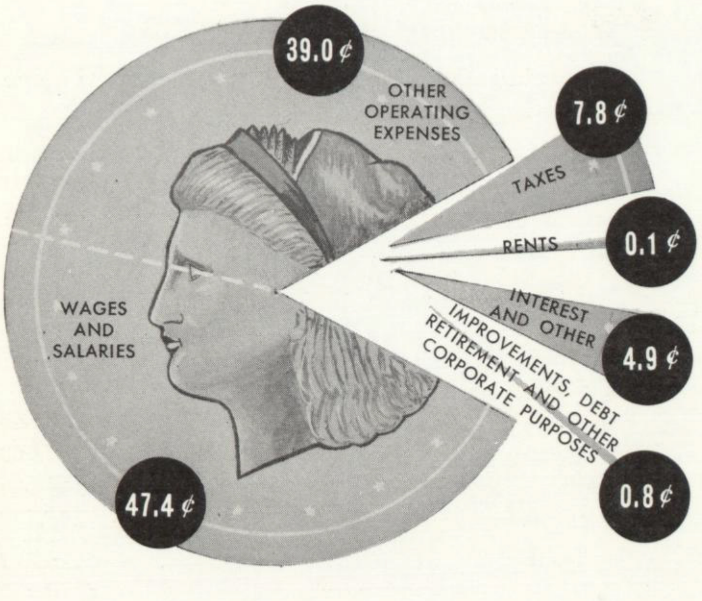
OUR DOLLAR DURING CALENDAR YEAR 1960

REVENUE AND EARNINGS



Freight Revenue	$37,692,525
Passenger Revenue	1,419,664
Mail Revenue	862,721
Express Revenue	807,587
All Other Revenues	1,015,761
Net Equipment and Joint Facility Rents	14,881
Other Income	977,835
TOTAL	$42,790,974

EXPENDITURES



Operating Expenses:	
Wages and Salaries	$20,263,474
Other Operating Expenses	16,689,120
Taxes	3,325,423
Miscellaneous Rents, Taxes and Income Charges	53,525
Bond Interest	437,713
Interest—Equipment and Other Obligations	1,057,421
Other Charges	28,024
Interest—Income Bonds	582,186
Improvements, Debt Retirement and Other Corporate Purposes	354,088
TOTAL	$42,790,974

CENTRAL
OF GEORGIA
RAILWAY COMPANY

THE REPORT FOR 1960

OPERATING REVENUES

Revenues received in 1960 from the transportation of freight, passengers, mail, express and other services were $41,798,258. This was a decrease of $2,357,992 or 5.34% under the preceding year. Decreases of $2,533,209 — 6.30% in freight revenue; $27,480 — 4.97% in switching revenue; $12,169 — 6.71% in dining and buffet revenue; $12,185 — 13.11% in other operating revenues were partly offset by increases of $6,635 — .47% in passenger revenue; $5,200 — .61% in mail revenue; $198,930 — 32.68% in express revenue; $8,601 — 6.26% in demurrage revenue; $7,685 — 8.91% in miscellaneous revenues. The decrease in our revenue was caused by the general business recession.

A graphic illustration of the sources of Central's revenue dollar will be found on Page 4 of this report.

FREIGHT TRAFFIC

Freight revenue was $37,692,525 against $40,225,734 for the previous year, a decrease of $2,533,209. Loaded freight cars handled during 1960 totaled 474,267, a decrease of 4.65% under the previous year, and there was a decrease of 4.54% in ton miles of revenue freight. Revenue per ton mile in 1960 was 1.20¢ compared with 1.23¢ in 1959.

Following is a tabulation of gross freight revenues for 1960 compared with 1959. These figures are shown without adjustment for absorptions or corrections.

	Year 1960	Year 1959
Products of Agriculture	$ 3,650,475	$ 3,848,810
Animals and Products	389,974	520,763
Products of Mines	10,922,165	11,291,777
Products of Forests	4,660,674	4,976,848
Manufactures and Miscellaneous	18,780,848	20,113,166
Forwarder Traffic	337,498	404,266
Total Carload Freight	$38,741,634	$41,155,630
Less than Carload Freight	583,535	742,044
TOTAL	$39,325,169	$41,897,674

PASSENGER TRAFFIC

Revenue derived from transportation of passengers during 1960 was $1,419,664 compared with $1,413,029 for the previous year, an increase of $6,635. Passenger service train revenues totaled $3,263,810, an increase of $196,163 compared with the previous year.

Statistically, the average miles per passenger in 1960 was 167 compared with 169 for the year 1959. The average revenue per passenger mile in 1960 was 2.70¢ compared with 2.64¢ in 1959. Passenger train miles in 1960 were 735,629, a decrease of 1,040 compared with 1959.

OPERATING EXPENSES

Total operating expenses for 1960 amounted to $36,952,594 against $37,002,286 for the year 1959, a decrease of $49,692 or .13%. Wages and the price of material and supplies continued to increase during the year of 1960 but by strict supervision and economy a decrease in operating expenses was achieved.

Maintenance of way accounts, other than depreciation and retirements, decreased $60,004.

Maintenance of equipment accounts, other than depreciation and retirements, increased $9,010.

Traffic expenses decreased $64,278.

Transportation expenses decreased $126,817 and is summarized by services as follows:

	1960	1959	+ Increase —Decrease
Supervision	$ 746,288	$ 747,199	—$ 911
Station Service	2,015,987	2,145,480	— 129,493
Yard Service	4,902,207	5,162,399	— 260,192
Train Service-Passenger	1,324,821	1,338,071	— 13,250
Train Service-Freight	5,647,175	5,793,843	— 146,668
Miscellaneous	671,150	653,250	+ 17,900
Casualties	1,128,165	965,140	+ 163,025
Joint Facilities	966,992	724,220	+ 242,772
Total	$17,402,785	$17,529,602	—$126,817

The decrease in station service was due mainly to discontinuance of unnecessary station agencies. The decrease in yard service was caused by one of the other railroads serving the joint storage yard adjacent to the Union Bag-Camp Paper Corporation's plant at Savannah, Ga. The Central switched to this storage yard during 1959. The decrease in train service-freight was caused by the decrease in traffic. The increase in miscellaneous was due to signal, interlocker and communication operations. Casualty expenses increase was due to several wrecks on our line, and increases in payments for loss and damage-freight and injuries to persons. The increase in joint facilities was due to the rotation of switching performed by other carriers at joint storage yard serving Union Bag-Camp Paper Corporation and at Coosa Pines, Alabama.

Agreement with the non-operating unions signed at Chicago August 19, 1960 increased the cost of operation as follows:

The cost of living increases of 17¢ per hour granted in the past were made a part of basic rate of pay. Effective July 1, 1960 the rates of pay for non-operating employes were increased 5¢ per hour and on the same date the rates of pay of operating employes were increased two percent. These increases, together with a "cost of living" increase of 1¢ per hour which became effective on May 1, 1960, resulted in increases in payrolls of approximately $243,508.

TAXES

Total taxes for the year 1960 amounted to $3,325,423, and comparison with 1959 is as follows:

	Year 1960	Year 1959
Railroad Retirement Tax	$1,130,096	$1,090,483
Railroad Unemployment Insurance Tax	627,702	574,781
State, County and Municipal Taxes	1,270,746	1,281,299
Federal and State Income Taxes	......	Cr. 101
Sales and Miscellaneous Taxes	296,879	269,313
TOTAL	$3,325,423	$3,215,775

The increase in railroad retirement and unemployment taxes was caused by the increase, effective June 1, 1959, in the rate of tax for unemployment, increasing from 3% to 3¾% and taxable compensation was raised from $350 to $400 of monthly compensation. The rate of tax under the railroad retirement act was increased on June 1, 1959 from 6¼% on $350 to 6¾% on $400 of monthly compensation.

The increase in sales and miscellaneous taxes was caused by increase in purchase of rail and other material, increasing sales taxes paid to States of Georgia and Alabama.

No accrual of Federal or State income taxes was included in accounts for 1960 due to special deductions available for tax purposes which are not reflected in the income account.

Deductions for the excess of amortization of defense facilities over recorded depreciation amounted to $530,236, and deductions for the excess of depreciation under declining balance method over recorded depreciation amounted to $460,187, aggregating $990,423. In addition, the unused loss carry-over from 1959 into 1960 amounted to $638,782. Estimated net taxable income before special deductions detailed above was a deficit, therefore, no income taxes were accrued for year 1960. The use of the special deductions shown above is illustrated in the following compilation:

Excess of amortization of defense facilities	$ 530,236	
Excess of depreciation under declining balance method	460,187	
Unused loss carry-over from 1959	638,782	
Total		$1,629,205
Estimated net taxable income, 1960		568,374 def.
Total		$2,197,579
Available to carry-over into years 1961-1964, inc. as offset to taxable income	$ 638,782	
Available to carry-over into years 1961-1965, inc. as offset to taxable income	1,558,797	
Total		$2,197,579

LONG TERM DEBT

Long Term Debt decreased during the year $488,930, as follows:

Retirement of Bonds through First and General Mortgage Bonds Sinking Fund and Debt Retirement Fund Provisions—	
First Mortgage Bonds	$ 77,000
General Mortgage Bonds	296,700
By Cash Payments provided in agreements—	
4% Note due Citizens and Southern National Bank	72,428
Equipment Trusts (detail page 19)	2,648,002
Total Decrease	$3,094,130
Less New Equipment purchased (detail page 19)	2,605,200
Net Decrease in Long Term Debt	$ 488,930

ADDITIONS AND BETTERMENTS

Gross expenditures for improvements chargeable to capital account during 1960 totaled $4,231,764. These charges were partially offset by credits for retirements aggregating $999,838, the net result being an increase in capital account, including investments in leased property, of $3,231,926.

EQUIPMENT

The principal capital account expenditures for additions and improvements to equipment were the purchase of sixty 90-ton, 3,500 cu. ft. capacity, and forty 70-ton, 2,010 cu. ft. capacity, covered hopper cars and ten 100-ton especially equipped cast steel underframe flat cars for handling coiled tin plate, all equipped with roller bearings. We also purchased eight 1800 H.P. Model GP-18 Road Switcher Type Diesel Locomotives.

During the year, heavy repairs and equipment modernization was given to thirty-eight diesel engines in locomotives and two hundred ninety-seven freight cars.

TRACKS

During 1960, 19.40 track miles of new 115-pound rail were laid in main track, replacing rail of a lighter section, 14.51 miles of this rail being ribbon rail. 1.88 miles of relay rail were laid in main tracks. 1.16 miles replaced rail of a lighter section and 0.72 miles replaced worn rail of the same section. A total of 21.28 track miles were laid during the year.

Ten company tracks were constructed or extended, aggregating 2.15 miles. Twenty-seven company tracks were removed or shortened, aggregating 4.22 miles. The net decrease was 2.07 miles.

Twenty-eight industrial tracks were constructed or extended, aggregating 1.68 miles. Twenty-two industrial tracks were removed or shortened, aggregating 1.82 miles. The net decrease was 0.14 miles.

COMMUNICATIONS

Eight two-way radios installed on eight GP-18 EMP Locomotives.

One two-way radio for Columbus Derrick.

Two Handie-Talkie radio sets for Savannah Yard.

Radio Base Stations were installed at Augusta and Gordon, Georgia.

SIGNALS

Automatic Flashing Light Type Railway-Highway Crossing Signals were installed at Moye Road and Hourglass Road—Americus District.

Automatic Crossing Protection was installed at First Avenue, Georgia Road, 41st Street and 39th Street, Birmingham, Alabama.

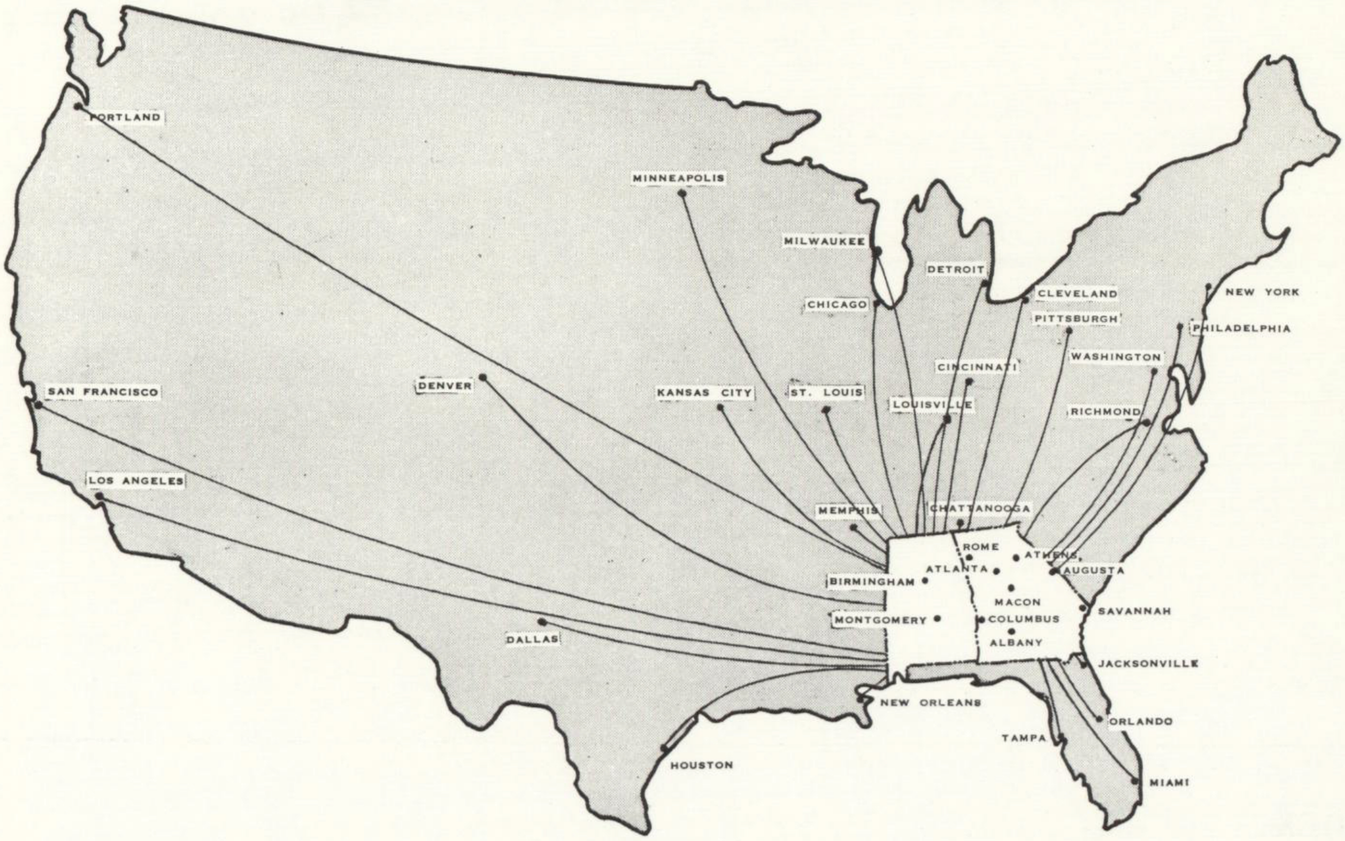
Flashing Light Crossing Signals were installed jointly with Seaboard Air Line Railroad at 31st Street and 9th Avenue, Birmingham, Alabama.

Centralized traffic control was extended from Sterretts, Alabama to Trammels, Alabama.

SHOP MACHINERY

In 1960 we purchased and installed a standard wheel truing machine at our Macon Diesel Shop which will enable us to turn wheels in diesel locomotives at more frequent intervals in order to lengthen the service life by reducing the amount of service metal necessary to be removed at each turning. It also eliminates the need to remove wheels in truck assemblies from underneath the locomotives in order to machine them.

LOCATIONS OF FREIGHT AND PASSENGER SERVICE REPRESENTATIVES



Call, phone or write our nearest Representative for information. He will gladly assist you in every way possible with your shipping and travel problems.

ALBANY—
500 N. Washington St.,
Telephone HEmlock 2-1636
Assistant General Freight Agent

ATHENS—
105 Mitchell St.,
Telephone LIberty 6-8376
District Freight Agent

ATLANTA—
Terminal Station
Telephone JAckson 2-8181
Division Passenger Agent
181 Alabama St., S. W., Telephone PLaza 8-7551
Asst. Freight Traffic Manager

AUGUSTA—
Campbell Building, 102 8th St., Telephone PArk 4-4343
Division Freight Agent

BIRMINGHAM—
614-12 Brown-Marx Bldg., First Ave. & 20th St.
Telephone ALpine 1-6231
District Passenger Agent
601-606 Brown-Marx Bldg., First Avenue and
20th St., Telephone FAirfax 4-5661
Asst. Freight Traffic Manager

BOSTON—
1 Relda Road
South Weymouth, Mass.
Telephone EDgewater 7-3357
Commercial Agent

CHATTANOOGA—
1478 Market St., Telephone AMherst 5-3123
Division Freight Agent

CHICAGO—
658 Marquette Bldg., 140 So. Dearborn St.,
Telephone DEarborn 2-5566
Western Traffic Manager

CINCINNATI—
712 Dixie Terminal Bldg., 49 East 4th St.,
Telephone MAin 1-0636
General Agent

CLEVELAND—
507 Terminal Tower Bldg., 50 Public Square,
Telephone TOwer 1-2395
General Agent

COLUMBUS—
Union Passenger Station, 12th St. and 6th Ave.,
Telephones FAirfax 3-3462, 3-5658
Division Passenger Agent
12th St. and 7th Ave., Telephone FAirfax 2-0645
Assistant General Freight Agent

DALLAS—
1415 Tower Petroleum Bldg.,
1907 Elm St., Telephone RIverside 7-0590
General Agent

DENVER—
314 Denham Bldg., 635 18th Street
Telephone MAin 3-2345
General Agent

DETROIT—
816 Book Building, 1249 Washington Blvd.,
Telephone WOodward 2-3515
Central Western Agent

HOUSTON—
7234 Neff Street
Telephone GYpsy 4-2790
Commercial Agent

JACKSONVILLE—
1014 Florida Title Bldg., 110 W. Forsyth St.,
Telephone ELgin 3-3177
Florida Freight Agent

KANSAS CITY—
810 Fairfax Bldg., 101 West 11th Street,
Telephone VIctor 2-3937
General Agent

LOS ANGELES—
1111 W. I. Hollingsworth Bldg., 606 S. Hill St.,
Telephone MAdison 2-6936
General Agent

LOUISVILLE—
645 Starks Bldg., 455 So. 4th St.,
Telephone JUniper 3-5701
General Agent

MACON—
101 Terminal Station, Telephone SHerwood 5-6531
Division Passenger Agent
109 Terminal Station, Telephone SHerwood 5-6531
Asst. Freight Traffic Manager

MEMPHIS—
819 Sterick Bldg., 3rd Street
and Madison Avenue
Telephone JAckson 6-8033
General Agent

MIAMI—
710 Ingraham Bldg., 25 S. E. 2nd Avenue,
Telephone FRanklin 1-5519
Florida Freight Agent

MILWAUKEE—
1420 Majestic Bldg., 231 W. Wisconsin Ave.
Telephone BRoadway 2-4165
General Agent

MINNEAPOLIS—
610 Rand Tower, 527 Marquette Ave.,
Telephone FEderal 8-1775
General Agent

MONTGOMERY—
609-11 First National Bank Bldg.,
8 Commerce St., Telephone AMherst 5-6726
Division Freight Agent

NASHVILLE—
112 Lynnwood Blvd., Telephone CYpress 1-8836
Commercial Agent

NEW ORLEANS—
1832 National Bank of Commerce Bldg.,
210 Baronne St., Telephone JAckson 5-2974
General Agent

NEW YORK—
1580 Woolworth Building, 233 Broadway,
Telephone WOrth 2-5252
Eastern Traffic Manager
Frgn. Frt. Agent

ORLANDO—
714 Florida National Bank Bldg., No. 1 North
Orange Avenue
Telephone GArden 2-6557
Florida Freight Agent

PHILADELPHIA—
1509 Finance Bldg., 1428 South Penn Square,
Telephone LOcust 7-6016
General Agent

PITTSBURGH—
1338 Oliver Bldg., Mellon Square,
Telephone ATlantic 1-2055
General Agent

PORTLAND—
617 Terminal Sales Bldg., 1220 S. W. Morrison St.,
Telephone CApitol 3-0996
General Agent

RICHMOND—
1210 State Planters Bank Bldg., Main and Ninth Street,
Telephone MIlton 4-2714
General Agent

ROME—
17 E. 2nd Ave., Telephone 232-4978
District Freight Agent

ST. LOUIS—
852-53 Cotton Belt Bldg., 408 Pine Street,
Telephone CHestnut 1-7868
Western Traffic Agent

SAN FRANCISCO—
347 Monadnock Bldg., 681 Market Street,
Telephone DOuglas 2-7124
Pacific Coast Traffic Manager

SAVANNAH—
301 West Broad St., Telephone ADams 2-5517
233 West Broad St., Telephone ADams 2-6159
Assistant Freight Traffic Manager

TAMPA—
504 First National Bank Bldg., 215 Madison St.,
Telephone 2-6416
General Agent

WASHINGTON—
227 Shoreham Bldg., 15th and H Sts., N. W.,
Telephone EXecutive 3-8202
General Agent

ACCOUNTANTS' OPINION

HASKINS & SELLS
CERTIFIED PUBLIC ACCOUNTANTS

TWO BROADWAY
NEW YORK 4

To the Stockholders,
Central of Georgia Railway Company:

We have examined the balance sheet of Central of Georgia Railway Company as of December 31, 1960 and the related statements of income and retained income—unappropriated (pages 10 to 13, inclusive) for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the accompanying balance sheet and statements of income and retained income—unappropriated present fairly the financial position of the Company at December 31, 1960 and the results of its operations for the year then ended in conformity with principles of accounting prescribed or authorized by the Interstate Commerce Commission applied on a basis consistent with that of the preceding year.

Haskins & Sells

February 20, 1961.

INDEX

TABLE		PAGE
1	Income Statement	10-11
2	Statement of Retained Income—Unappropriated	11
3	Balance Sheet	12-13
4	Detail of Railway Operating Expenses	14-15-16
5	Investment Securities Owned—Par Value	17
6	Long Term Debt and Interest	18
7	Analysis of Equipment Trust Obligations and Equipment Purchase Agreements	19
8	Consolidated Income Statement	20-21
9	Consolidated Balance Sheet	22-23-24-25
10	Classification of Revenue Freight	26

INCOME STATEMENT

TABLE 1

For the Years Ended December 31, 1960 and 1959

Accounts	1960	1959
Average miles operated	1,744.93	1,744.93
Railway Operating Revenues:		
Rail Line Transportation:		
Freight	$37,692,525	$40,225,734
Passenger	1,419,664	1,413,029
Mail	862,721	857,521
Express	807,587	608,657
Switching	525,669	553,149
Other	4,579	7,012
Total rail-line transportation revenue	41,312,745	43,665,102
Incidental Operating Revenue	454,355	461,001
Joint Facility Operating Revenue	31,158	30,147
Total railway operating revenues	41,798,258	44,156,250
Railway Operating Expenses:		
Maintenance of way and structures	6,468,517	6,469,727
Maintenance of equipment	8,632,335	8,597,707
Traffic	2,041,522	2,105,800
Transportation—rail line	17,402,785	17,529,602
Miscellaneous operations	232,579	247,558
General	2,174,856	2,051,892
Total railway operating expenses	36,952,594	37,002,286
Net revenue from railway operations	4,845,664	7,153,964
Railway Tax Accruals:		
Federal income taxes (Note 1)	....	....
State income taxes	....	Cr. 101
Pay roll taxes	1,757,798	1,665,264
All other taxes	1,567,625	1,550,612
Total railway tax accruals	3,325,423	3,215,775
Railway operating income	1,520,241	3,938,189
Rent Income:		
Hire of freight cars	98,595	102,246
Rent from locomotives	172,004	153,328
Rent from passenger-train cars	485,883	417,253
Rent from work equipment	8,468	8,699
Joint facility rent income	183,513	262,129
Total rent income	948,463	943,655
Gross railway operating income	2,468,704	4,881,844
Rents Payable:		
Rent for locomotives	165,165	140,273
Rent for passenger-train cars	405,862	395,681
Rent for work equipment	2,627	2,753
Joint facility rents	359,928	355,100
Total rents payable	933,582	893,807
Net railway operating income	1,535,122	3,988,037
Other Income:		
Income from lease of road and equipment	36,963	38,051
Miscellaneous rent income	110,260	107,030
Income from nonoperating property	77,972	64,125
Dividend income	5,671	2,977
Interest income	354,159	207,540
Miscellaneous income:		
From contract work for others—estimated	295,000	....
Profit on bonds reacquired, sale of land, etc.	97,810	124,795
Total other income	977,835	544,518
Total income—carried forward	$ 2,512,957	$ 4,532,555

INCOME STATEMENT (Concluded)

For the Years Ended December 31, 1960 and 1959

TABLE 1

Accounts	1960	1959
Total income—brought forward	$ 2,512,957	$ 4,532,555
Miscellaneous Deductions from Income:		
Miscellaneous rents	83	83
Miscellaneous tax accruals	8,601	8,413
Miscellaneous income charges	44,841	49,848
Total miscellaneous deductions	53,525	58,344
Income available for fixed charges	2,459,432	4,474,211
Fixed Charges:		
Rent for leased roads and equipment	10,187	11,280
Interest on funded debt:		
Mortgage bonds	437,713	440,761
Equipment obligations and notes	1,057,421	1,094,637
Amortization of discount on funded debt	17,837	18,195
Total fixed charges	1,523,158	1,564,873
Income after fixed charges	936,274	2,909,338
Other Deductions:		
Contingent interest	582,186	595,658
Net Income	$ 354,088	$ 2,313,680

STATEMENT OF RETAINED INCOME – UNAPPROPRIATED

For the Year Ended December 31, 1960

TABLE 2

CREDIT BALANCE January 1, 1960		$17,616,861
CREDITS:		
Net income for the year	$ 354,088	
Retirement of property acquired by donations	4,104	
Total Credits		358,192
Total		17,975,053
DEBITS:		
Dividends paid in cash during 1960 out of 1959 earnings (Note 2):		
Preferred stock—$5.00 per share	851,970	
Common stock—$1.00 per share	337,242	
Total debits		1,189,212
CREDIT BALANCE December 31, 1960		$16,785,841

BALANCE SHEET

TABLE 3

December 31, 1960 and 1959

Assets	1960	1959
Current Assets:		
Cash	$ 2,335,775	$ 2,736,987
Temporary cash investments	4,029,210	5,381,254
Special deposits	394,418	548,684
Loans and notes receivable	2,000	2,891
Net balance receivable from agents and conductors	534,620	576,510
Miscellaneous accounts receivable	1,356,598	1,201,425
Interest and dividends receivable	28,157	60,073
Accrued accounts receivable	784,305	860,067
Working fund advances	41,472	32,448
Prepayments	70,062	79,010
Material and supplies	2,818,831	2,966,482
Other current assets	57,524	48,984
Total current assets	12,452,972	14,494,815
Special Funds—Capital and Other Reserve Funds	646,298	93,598
Investments—Principally at cost (Page 17)		
Affiliated companies	14,903,143	14,989,723
Other	1,291,893	1,304,258
Total investments	16,195,036	16,293,981
Properties:		
Road and equipment property:		
Road	73,896,437	72,985,520
Equipment	71,984,102	69,570,508
General expenditures	3,731,047	3,735,745
Improvements on leased property	302,395	390,282
Acquisition adjustment	Cr. 11,924,884	Cr. 11,970,253
Donations and grants	Cr. 1,031,516	Cr. 1,007,871
Total transportation property	136,957,581	133,703,931
Accrued depreciation and amortization:		
Road	Cr. 11,249,843	Cr. 10,770,101
Equipment	Cr. 31,841,083	Cr. 30,024,518
Total transportation property less recorded depreciation and amortization	93,866,655	92,909,312
Miscellaneous physical property (less recorded depreciation of $210,591)	2,216,767	2,201,984
Total properties less recorded depreciation and amortization	96,083,422	95,111,296
Other Assets and Deferred Charges:		
Other assets	253,844	215,614
Unamortized discount on long term debt	125,730	134,231
Other deferred charges	672,653	455,139
Total other assets and deferred charges	1,052,227	804,984
Total Assets	$ 126,429,955	$ 126,798,674

NOTES TO FINANCIAL STATEMENTS

Note 1 — No accrual for Federal income tax is required for 1960 due to (a) the recognition for tax purposes of the excess of accelerated amortization and declining balance depreciation over the amount of depreciation recorded in the accounts and (b) the carry forward of a portion of the prior year's net operating loss as shown by the Federal income tax return. The amount of these deductions and their effect upon Federal income tax for 1960 are shown on Page 6.

At December 31, 1960, the accumulated amount of tax reductions realized because of accelerated amortization and accelerated depreciation were approximately $8,420,342 and $1,029,037 respectively.

BALANCE SHEET

December 31, 1960 and 1959

TABLE 3

Liabilities and Shareholders' Equity	1960	1959
Current Liabilities:		
Traffic and car-service balances	$ 507,950	$ 500,040
Audited accounts and wages payable	1,150,670	1,252,517
Miscellaneous accounts payable	592,999	586,171
Interest matured unpaid	347,605	355,919
Unmatured interest accrued	888,049	879,431
Accrued accounts payable	2,311,517	2,141,483
Federal income tax accrued (Note 1)	....	....
Other taxes accrued	242,179	259,837
Other current liabilities	528,717	559,720
Total current liabilities (Excludes long term debt due within one year)	6,569,686	6,535,118
Long Term Debt Due Within One Year:		
Equipment obligations (Page 18)	2,650,832	2,613,990
Sinking fund requirements—First and General Mortgage Bonds	129,567	129,567
Total long term debt due within one year	2,780,399	2,743,557
Long Term Debt (Due After One Year) (Page 18):		
First Mortgage 4% Bonds, Series A, due January 1, 1995	10,877,133	10,954,134
General Mortgage 4½% Income Bonds:		
Series A, due January 1, 2020	212,000	508,700
Series B, due January 1, 2020	12,539,800	12,539,800
Equipment obligations	21,339,555	21,491,626
Amounts payable to affiliated companies—Open account	2,934,500	2,934,500
Total long term debt (due after one year)	47,902,988	48,428,760
Other Liabilities and Deferred Credits:		
Other liabilities	128,123	71,899
Other deferred credits	1,081,870	236,683
Accrued depreciation—Leased property	408,286	393,034
Total other liabilities and deferred credits	1,618,279	701,616
Shareholders' Equity:		
Capital Stock:		
Preferred 5% ($100 par value)	17,039,400	17,039,400
Common (without par value)	33,724,200	33,724,200
Total capital stock	50,763,600	50,763,600
Capital Surplus—Paid in	9,162	9,162
Retained Income—Unappropriated	16,785,841	17,616,861
Total shareholders' equity	67,558,603	68,389,623
Total Liabilities and Shareholders' Equity	$ 126,429,955	$ 126,798,674

NOTES TO FINANCIAL STATEMENTS (Continued)

Note 2 — Preferred stock dividends are cumulative for a period up to three years. At December 31, 1960, the accumulation for such unpaid dividends amounted to $851,970.

Note 3 — The Company is liable as guarantor (jointly and severally with other railroads) for the principal and interest on $711,000 First Mortgage, Series A, 4% Bonds of the Atlanta Terminal Company, and $1,366,000 First Mortgage 5% Bonds of Macon Terminal Company.

Under certain conditions the Company is obligated to pay insurance premiums of a presently undetermined amount and under the policy has limited protection against certain losses which might be sustained from work stoppages growing out of labor disputes.

DETAIL OF RAILWAY OPERATING EXPENSES

TABLE 4

Accounts	Year Ended December 31		+ Increase — Decrease
	1960	1959	
Maintenance of Way and Structures:			
Superintendence	$ 676,092	$ 671,380	$+ 4,712
Roadway maintenance	379,306	350,839	+ 28,467
Tunnels and subways	3,003	212	+ 2,791
Bridges, trestles and culverts	151,815	213,907	— 62,092
Ties—Switch and bridge	46,348	71,467	— 25,119
Ties—Cross	461,805	609,917	— 148,112
Rails	311,125	147,402	+ 163,723
Other track material	460,305	423,853	+ 36,452
Ballast	208,755	218,334	— 9,579
Track laying and surfacing	1,828,179	1,877,690	— 49,511
Fences, snowsheds and signs	10,764	16,436	— 5,672
Station and office buildings	154,918	184,916	— 29,998
Roadway buildings	5,462	4,361	+ 1,101
Water stations	27	2	+ 25
Fuel stations	5,751	5,415	+ 336
Shops and enginehouses	88,851	118,397	— 29,546
Storage warehouses	70	117	— 47
Wharves and docks	....	Cr. 131	+ 131
Communication systems	226,502	185,203	+ 41,299
Signals and interlockers	146,023	153,123	— 7,100
Power Plants	69	197	— 128
Power-transmission systems	9,718	9,890	— 172
Roadway machines	343,441	297,590	+ 45,851
Dismantling retired road property	27,543	20,443	+ 7,100
Small tools and supplies	150,802	153,210	— 2,408
Removing snow, ice and sand	1,332	54	+ 1,278
Public improvements—Maintenance	42,641	51,153	— 8,512
Injuries to persons	29,000	18,000	+ 11,000
Insurance	15,434	19,333	— 3,899
Stationery and printing	10,348	10,361	— 13
Other expenses	100,118	107,712	— 7,594
Maint'g. Jt. Tr., Yds. and other Fac.—Dr.	166,117	168,741	— 2,624
Maint'g. Jt. Tr., Yds. and other Fac.—Cr.	176,174	164,030	+ 12,144
Total Expended	5,885,490	5,945,494	— 60,004
Road property—depreciation	499,660	495,518	+ 4,142
Retirements—road—not replaced	83,367	28,715	+ 54,652
Total Maintenance of Way and Structures	6,468,517	6,469,727	— 1,210
Maintenance of Equipment:			
Superintendence	372,719	359,444	+ 13,275
Shop machinery	99,522	101,158	— 1,636
Power plant machinery	12,935	22,267	— 9,332
Other locomotives—Passenger-Repairs	242,477	310,500	— 68,023
Other locomotives—Freight-Repairs	1,598,549	1,904,264	— 305,715
Other locomotives—Switching-Repairs	268,004	362,368	— 94,364
Freight-train cars—Repairs	3,004,163	2,655,482	+ 348,681
Passenger-train cars—Repairs	360,420	284,049	+ 76,371
Work Equipment—Repairs	47,933	56,907	— 8,974
Miscellaneous equipment—Repairs	84,043	82,066	+ 1,977
Dismantling retired equipment	18,642	9,758	+ 8,884
Injuries to persons	43,500	24,000	+ 19,500
Insurance	94,770	80,863	+ 13,907
Stationery and printing	9,000	8,037	+ 963
Carried Forward	$ 6,256,677	$ 6,261,163	$— 4,486

DETAIL OF RAILWAY OPERATING EXPENSES (Continued) TABLE 4

Accounts	Year Ended December 31		+ Increase — Decrease
	1960	1959	
Maintenance of Equipment—(Concluded)			
Brought Forward	$ 6,256,677	$ 6,261,163	$— 4,486
Other expenses	94,867	98,848	— 3,981
Joint maintenance of equip't expenses—Dr.	19,979	12,407	+ 7,572
Joint maintenance of equip't expenses—Cr.	47,582	57,487	— 9,905
Total expended	6,323,941	6,314,931	+ 9,010
Shop and power plant machinery—Depreciation	36,975	35,570	+ 1,405
Retirements—Equipment	Cr. 78,929	Cr. 46,762	— 32,167
Equipment—Depreciation	2,350,348	2,293,968	+ 56,380
Total Maintenance of Equipment	8,632,335	8,597,707	+ 34,628
Traffic:			
Superintendence	421,631	435,894	— 14,263
Outside agencies	1,343,100	1,380,244	— 37,144
Advertising	37,146	44,553	— 7,407
Traffic associations	52,772	43,672	+ 9,100
Industrial and immigration bureaus	84,421	97,190	— 12,769
Insurance	5,510	3,960	+ 1,550
Stationery and printing	84,728	87,755	— 3,027
Other expenses	12,214	12,532	— 318
Total Traffic	2,041,522	2,105,800	— 64,278
Transportation—Rail Line:			
Superintendence	516,052	517,328	— 1,276
Dispatching trains	230,236	229,871	+ 365
Station employees	1,782,901	1,897,094	— 114,193
Weighing, inspn. and demurrage bureaus	90,211	91,048	— 837
Station supplies and expenses	142,875	157,338	— 14,463
Yardmasters and yard clerks	955,847	958,420	— 2,573
Yard conductors and brakemen	2,246,194	2,366,923	— 120,729
Yard switch and signal tenders	85,815	86,307	— 492
Yard enginemen	1,176,611	1,261,935	— 85,324
Yard switching fuel	165,702	192,577	— 26,875
Lubricants for yard locomotives	29,545	35,547	— 6,002
Other supplies for yard locomotives	12,115	14,652	— 2,537
Enginehouse expenses—Yard	130,077	128,625	+ 1,452
Yard supplies and expenses	100,301	117,413	— 17,112
Operating joint yards and terminals—Dr.	1,325,875	1,365,769	— 39,894
Operating joint yards and terminals—Cr.	387,073	664,007	— 276,934
Passenger enginemen	306,628	299,136	+ 7,492
Freight enginemen	1,181,530	1,240,680	— 59,150
Train fuel—Passenger	277,791	289,730	— 11,939
Train fuel—Freight	1,326,339	1,413,083	— 86,744
Lubricants for passenger locomotives	26,705	30,497	— 3,792
Lubricants for freight locomotives	178,067	187,571	— 9,504
Other supplies for passenger locomotives	10,941	12,509	— 1,568
Other supplies for freight locomotives	73,035	77,784	— 4,749
Enginehouse expenses—Passenger	109,347	113,241	— 3,894
Enginehouse expenses—Freight	386,350	369,127	+ 17,223
Passenger trainmen	351,247	344,071	+ 7,176
Freight trainmen	1,567,290	1,656,680	— 89,390
Train supplies and expenses—Passenger	215,347	225,997	— 10,650
Train supplies and expenses—Freight	934,564	848,918	+ 85,646
Signal and interlocker operation	155,268	149,789	+ 5,479
Crossing protection	40,116	43,704	— 3,588
Carried Forward	$ 15,743,849	$ 16,059,357	$— 315,508

DETAIL OF RAILWAY OPERATING EXPENSES (Concluded) TABLE 4

Accounts	Year Ended December 31		+ Increase — Decrease
	1960	1959	
Transportation-Rail Line—(Concluded)			
Brought Forward	$ 15,743,849	$ 16,059,357	$— 315,508
Communication system operation	136,263	107,228	+ 29,035
Stationery and printing	93,717	98,726	— 5,009
Other expenses	119,118	117,935	+ 1,183
Operating joint tracks and fac.—Dr.	68,168	61,525	+ 6,643
Operating joint tracks and fac.—Cr.	39,978	39,067	+ 911
Insurance	126,668	135,868	— 9,200
Clearing wrecks	167,347	136,086	+ 31,261
Damage to property	77,934	74,340	+ 3,594
Damage to live stock on right-of-way	4,887	4,428	+ 459
Loss and damage—Freight	500,000	450,000	+ 50,000
Loss and damage—Baggage	497	286	+ 211
Injuries to persons	377,500	300,000	+ 77,500
Operating Sleeping Cars	26,815	22,890	+ 3,925
Total Transportation—Rail Line	17,402,785	17,529,602	— 126,817
Miscellaneous Operations:			
Dining and Buffet Service	232,579	247,558	— 14,979
Operating joint misc. fac.—Dr.			
Total Miscellaneous Operations	232,579	247,558	— 14,979
General:			
Salaries and expenses of general officers	296,739	269,083	+ 27,656
Salaries and exps. of clerks and attendants	1,172,657	1,155,533	+ 17,124
General office supplies and expenses	108,449	105,639	+ 2,810
Law expenses	190,309	173,207	+ 17,102
Insurance	44,809	775	+ 44,034
Pensions and group insurance	136,497	133,235	+ 3,262
Stationery and printing	57,955	55,095	+ 2,860
Other expenses	155,454	147,762	+ 7,692
General joint facilities—Dr.	12,238	11,849	+ 389
General joint facilities—Cr.	251	286	— 35
Total General	2,174,856	2,051,892	+ 122,964
Recapitulation			
Maintenance of way and structures	6,468,517	6,469,727	— 1,210
Maintenance of equipment	8,632,335	8,597,707	+ 34,628
Traffic	2,041,522	2,105,800	— 64,278
Transportation—rail line	17,402,785	17,529,602	— 126,817
Miscellaneous operations	232,579	247,558	— 14,979
General	2,174,856	2,051,892	+ 122,964
Total Railway Operating Expenses	$ 36,952,594	$ 37,002,286	$— 49,692

INVESTMENT SECURITIES OWNED – PAR VALUE (Note 1) TABLE 5

December 31, 1960

Kind	Pledged	Unpledged	Total	Dividends and Interest Accrued
Stocks:				
Albany Passenger Terminal Company (Note 2)	$ 54,700	$	$ 54,700	$
Atlanta Terminal Company (Note 2)	50,000		50,000	2,000
Augusta & Summerville Railroad Co. (Note 2)	50,000		50,000	462
Birmingham Terminal Company (Note 2)	25,000		25,000	20
Central of Georgia Motor Transport Company		266,000	266,000	
Chatham Terminal Company (Note 2)	25,000		25,000	
Empire Land Company		300,000	300,000	
Fruit Growers Express Company		256,700	256,700	
Louisville and Wadley Railroad Co.—Common		38,300	38,300	
Louisville and Wadley Railroad Co.—Preferred		29,000	29,000	
Macon Terminal Company (Note 2)	33,300		33,300	
Ocean Steamship Company of Savannah (Note 2)	1,999,200		1,999,200	
Pullman Company		31,890	31,890	3,189
Railway Express Agency, Incorporated (Note 3)		600	600	
The South Western Railroad Company (Note 4)	3,912,667	144,000	4,056,667	
The South Western Railroad Company (Note 2)	1,023,933		1,023,933	
Wadley Southern Railway Company		8,600	8,600	
Wrightsville & Tennille Railroad Co.—Common		278,300	278,300	
Wrightsville & Tennille Railroad Co.—Preferred		70,000	70,000	
Miscellaneous		410	410	
Total Stocks	$ 7,173,800	$ 1,423,800	$ 8,597,600	$ 5,671
Bonds:				
Albany Passenger Terminal Company	$	$ 42,000	$ 42,000	$ 1,744
U. S. Treasury Bonds		1,500	1,500	38
Georgia Ports Authority Central Waterfront Terminal Revenue Bonds Series 1958		1,290,000	1,290,000	84,086
Total Bonds	$	$ 1,333,500	$ 1,333,500	$ 85,868
Notes:				
Augusta and Summerville Railroad Company	$	$ 6,794	$ 6,794	$
Empire Land Company		2,866,681	2,866,681	
Railway Express Agency, Incorporated		173,493	173,493	8,675
Wrightsville and Tennille Railroad Company		224,000	224,000	
Total Notes	$	$ 3,270,968	$ 3,270,968	$ 8,675
Advances:				
Affiliated Companies:				
Atlanta Terminal Company	$	$ 159,668	$ 159,668	$ 4,000
Augusta and Summerville Railroad Company		4,559	4,559	
Birmingham Terminal Company		321,094	321,094	10,126
Central of Georgia Motor Transport Company		31,001	31,001	7,725
Central of Georgia Railway Company—Hospital Department		163,040	163,040	4,642
Chatham Terminal Company		3,222	3,222	
Empire Land Company		2,303,020	2,303,020	
Louisville and Wadley Railroad Company		5,000	5,000	
Savannah and Atlanta Railway Company		1,040,162	1,040,162	
Wadley Southern Railway Company		12,501	12,501	
Others—Planters Rural Telephone Cooperative Service, Dover, Ga.		40	40	
Total Advances	$	$ 4,043,307	$ 4,043,307	$ 26,493
Grand Total	$ 7,173,800	$ 10,071,575	$ 17,245,375	$ 126,707

Notes:

(1) The book value of the investment securities listed above is summarized on the balance sheet (page 12) as follows:

Investments in affiliated companies:		
Stocks	$ 7,711,113	
Bonds	41,795	
Other secured obligations	2,926,681	
Unsecured notes	180,287	
Investment advances	4,043,267	$14,903,143
Other Investments:		
Stocks	$ 321	
Bonds	1,291,532	
Advances	40	$ 1,291,893

(2) The First Mortgage has a first lien and the General Mortgage has a second lien on these stocks.

(3) $600 represents book value—stock has no par value.

(4) Ocean Steamship Company of Savannah has a first lien, the First Mortgage has a second lien, and the General Mortgage has a third lien on this stock.

See pages 20-25 for equities in subsidiary companies.

LONG TERM DEBT AND INTEREST

For the Year Ended December 31, 1960

TABLE 6

Name and Character of Obligation	Date of Issue	Date of Maturity	Amount of Authorized Issue	Outstanding At Close of Year	Amount Maturing During Year 1961	Interest Provisions		Amount of Interest Accrued During Year
						Rate	Dates Due	
Mortgage Bonds:								
First Mortgage Series "A"	Jan. 1, 1948	Jan. 1, 1995	$11,853,300	$10,936,400	$ ‡ 59,267	4%	Jan.—July	$ 437,713
General Mortgage (Income) Series "A"	Jan. 1, 1948	Jan. 1, 2020	1,736,000	282,300	‡ 70,300	4½%	May 1 when earned	17,895
General Mortgage (Income) Series "B"	Jan. 1, 1948	Jan. 1, 2020	12,542,400	12,539,800	....	4½%		564,291
Total Mortgage Bonds			$26,131,700	$23,758,500	$ 129,567			$1,019,899
Equipment Obligations:								
Equipment Trust Certificates:								
Central of Georgia Equipment Trust—Series "W"	May 1, 1952	May 1, 1967	$ 2,325,000	$ 1,085,000	$ 155,000	3¼%	May—Nov.	$ 36,942
Central of Georgia Equipment Trust—Series "X"	Nov. 1, 1952	Nov. 1, 1967	2,775,000	1,295,000	185,000	3⅜%	May—Nov.	48,909
Central of Georgia Equipment Trust—Series "Y"	Sept. 1, 1953	Sept. 1, 1968	5,460,000	2,912,000	364,000	3⅝%	Mar.—Sept.	114,355
Central of Georgia Equipment Trust—Series "Z"	Aug. 1, 1954	Aug. 1, 1969	2,655,000	1,593,000	177,000	2⅞%	Feb.—Aug.	48,766
Central of Georgia Equipment Trust—Series "A"	Mar. 1, 1955	Mar. 1, 1970	930,000	620,000	62,000	3⅛%	Mar.—Sept.	19,698
Central of Georgia Equipment Trust—Series "B"	Feb. 1, 1956	Feb. 1, 1971	4,680,000	3,276,000	312,000	3¼%	Feb.—Aug.	* 109,850
Central of Georgia Equipment Trust—Series "C"	Nov. 1, 1956	Nov. 1, 1971	840,000	616,000	56,000	4⅝%	May—Nov.	30,001
Central of Georgia Equipment Trust—Series "D"	June 1, 1957	June 1, 1972	2,550,000	1,955,000	170,000	5%	June—Dec.	103,417
Conditional Sales or Lease Agreements:								
Favor Morgan Guaranty Trust Company:								
Combined ten old agreements	April 1, 1951	April 1, 1966	3,151,000	848,818	195,000	3½%	Monthly	33,711
New Agreement for Equipment	April 1, 1951	April 1, 1966	4,852,561	1,222,456	291,152	3½%	Monthly	47,606
Conditional Sale Agreement No. 1	Aug. 1, 1957	Sept. 25, 1972	1,037,500	830,000	69,167	5½%	Mar.—Sept.	47,479
Conditional Sale Agreement No. 2	Aug. 1, 1957	Aug. 1, 1972	1,037,500	830,000	69,167	5½%	Feb.—Aug.	46,918
Conditional Sale Agreement No. 3	Aug. 1, 1957	Aug. 1, 1972	622,500	478,864	41,500	5½%	Feb.—Aug.	27,098
Conditional Sale Agreement No. 4	Aug. 1, 1957	Aug. 1, 1972	3,500,000	2,767,025	233,333	5½%	Feb.—Aug.	156,623
Conditional Sale Agreement No. 5	Aug. 1, 1957	Aug. 1, 1972	1,452,500	1,142,864	96,833	5½%	Feb.—Aug.	64,633
Conditional Sale Indebtedness Agreement	Mar. 1, 1960	Mar. 1, 1975	2,605,200	2,518,360	173,680	5¾%	Mar.—Sept.	68,258
Total Equipment Obligations			$40,473,761	$23,990,387	$ 2,650,832			$1,004,264
Amounts Payable to Affiliated Companies:								
Open Account—Ocean Steamship	Oct. 27, 1953		$ 2,584,500	....	....			
Company of Savannah	Nov. 17, 1953		350,000	$ 2,934,500	....	3%	Jan. 1	$ 88,035
Total			$ 2,934,500	$ 2,934,500	....			$ 88,035
†Grand Total			$69,539,961	$50,683,387	$ 2,780,399			$2,112,198

* $74,972 charged to operations, $34,878 to Savannah and Atlanta Rwy. Co.

† None pledged as collateral or in Treasury.

‡ Sinking fund requirements.

ANALYSIS OF EQUIPMENT TRUST OBLIGATIONS AND EQUIPMENT PURCHASE AGREEMENTS For the Year Ended December 31, 1960

TABLE 7

	Equipment	Original Issue	Paid Prior to January 1, 1960	Paid During Year ended Dec. 31, 1960	Outstanding Dec. 31, 1960	Maturities
Equipment Trust "W" May 1, 1952 3¼%	6—1200 horsepower SW-9 Diesel Electric Switching locomotives with Multiple Unit Control Nos. 301-306 Inc. 15—Alco-GE 1600 horsepower Diesel Electric Switching locomotives Nos. 133-146, 147 with steam generator	$ 2,325,000	$ 1,085,000	$ 155,000	$ 1,085,000	May 1, 1961 to May 1, 1967
Equipment Trust "X" November 1, 1952 3⅜%	3—1600 horsepower Diesel Electric Road-Switcher locomotives equipped with steam generators Nos. 148-150 Inc. 9—1600 horsepower Diesel Electric Road-Switcher locomotives without steam generators Nos. 151-159 Inc. 12—1200 horsepower Diesel Electric Switching locomotives with M. U. control Nos. 307-318 Inc. 50—70 ton Covered hopper cars Nos. 1375-1424 Inc.	2,775,000	1,295,000	185,000	1,295,000	Nov. 1, 1961 to Nov. 1, 1967
Equipment Trust "Y" September 1, 1953 3⅝%	1013—50 ton PS-1 type box cars Nos. 7300-8299 and 6200-6212 50—70 ton Covered hopper cars Nos. 1425-1474 Inc. 5—125 ton depressed center flat cars 1—Model SD-7, six motor, 1500 horsepower Diesel Electric Freight locomotive No. 201	5,460,000	2,184,000	364,000	2,912,000	Sept. 1, 1961 to Sept. 1, 1968
Equipment Trust "Z" August 1, 1954 2⅞%	500—50 ton 50'6" box cars with 9' side doors, Nos. 5500-5999 Inc.	2,655,000	885,000	177,000	1,593,000	Aug. 1, 1961 to Aug. 1, 1969
Equipment Trust "A" March 1, 1955 3⅛%	6—Model SD-9, 1750 horsepower, six motor, six axle, Diesel Electric Freight locomotives Nos. 202-207 Inc.	930,000	248,000	62,000	620,000	Mar. 1, 1961 to Mar. 1, 1970
Equipment Trust "B" February 1, 1956 3¼%	500—50 ton 50'6" PS-1 type box cars with 9-foot doors Nos. 1500-1999 Inc. 300—50 ton 40'6" PS-1 type box cars with 8-foot doors bearing Savannah & Atlanta Ry. Co. Road Nos. 200-499 Inc. 25—70 ton PS-2 Covered hopper cars Nos. 1475-1499 Inc. 20—70 ton depressed center flat cars with cast steel underframes Nos. 11800-11819 Inc.	4,680,000	1,092,000	312,000	* 3,276,000	Semi-Annually Feb. 1, 1961 to Feb. 1, 1971
Equipment Trust "C" November 1, 1956 4⅝%	6—1750 horsepower Model GP-9 Diesel Electric Road Switching locomotives Nos. 160 to 165 Inc. 5—70 ton 65'6" drop end Gondola cars Nos. 16001 to 16005 Inc.	840,000	168,000	56,000	616,000	Semi-Annually May 1, 1961 to Nov. 1, 1971
Equipment Trust "D" June 1, 1957 5%	5—1750 horsepower Model GP-9 Diesel Electric Road Switching locomotives Nos. 166-170 Inc. 50—70 ton, 2893 cubic feet PS-2 Covered hopper cars Nos. 900-949 Inc. 200—70 ton, 2003 cubic feet PS-2 Covered hopper cars Nos. 1000-1199 Inc.	2,550,000	425,000	170,000	1,955,000	Semi-Annually June 1, 1961 to June 1, 1972
Equipment Purchase Agreement April 1, 1951. 2⅞% on all installment payments to April 1, 1956 and 3½% thereafter	2—Diesel Switching locomotives Nos. 33 and 34 stainless steel Streamline Cars as follows: Coaches—Fort Oglethorpe and Fort McPherson Passenger-Baggage—Fort Mitchell Tavern Observation—Fort Benning 200—Pulpwood cars Nos. 10265 to 10464 Inc. 9—1500 horsepower Diesel Freight locomotives Nos. 901-909 Inc. 2—2000 horsepower Diesel Passenger locomotives Nos. 809-810 Inc. 1—1000 horsepower Diesel Switching locomotive No. 35 7—1500 horsepower Diesel Electric Road Switching locomotives Nos. 101-107 Inc. 2—1000 horsepower Diesel Electric Switching locomotives Nos. 36 and 37 3—1600 horsepower Diesel Electric Road Switching locomotives Nos. 108-110 Inc. 2—2250 horsepower Diesel Passenger locomotives Nos. 811-812 Inc.	3,151,000	2,057,208	244,974	848,818	Monthly to April 1, 1966
Equipment Purchase Agreement April 1, 1951. 2⅞% on all installment payments to April 1, 1956 and 3½% thereafter	4—1500 horsepower Model GP-7 Diesel Electric Road Switching locomotives with steam generator Nos. 120-123 Inc. 9—1500 horsepower Model GP-7 Diesel Electric Road Switching locomotives Nos. 124-132 Inc. 9—1600 horsepower Alco Diesel Electric Road Switching locomotives Nos. 111-119 Inc. 25—70 ton All Steel Covered hopper cars Nos. 1350-1374 Inc. 200—50 ton All Steel Gondola cars, 195 Nos. 18501-18700 Inc.; 5 Nos. 19501-19505 Inc. 300—50 ton 40'6" All Steel box cars Nos. 7000-7299 Inc.	4,852,561	3,313,060	317,045	1,222,456	Monthly to April 1, 1966
Conditional Sale Agreement No. 1 August 1, 1957 5½%	125—70 ton Triple hopper cars Nos. 22001 to 22125 Inc.	1,037,500	138,333	69,167	830,000	Semi-Annually March 25, 1961 to Sept. 25, 1972
Conditional Sale Agreement No. 2 August 1, 1957 5½%	125—70 ton Triple hopper cars Nos. 22126 to 22250 Inc.	1,037,500	138,333	69,167	830,000	Semi-Annually Feb. 1, 1961 to Aug. 1, 1972
Conditional Sale Agreement No. 3 August 1, 1957 5½%	75—70 ton Triple hopper cars Nos. 22251 to 22325 Inc.	622,500	102,136	41,500	478,864	Semi-Annually Feb. 1, 1961 to Aug. 1, 1972
Conditional Sale Agreement No. 4 August 1, 1957 5½%	500—50 ton 40'6" PS-1 box cars Nos. 8300 to 8799 Inc.	3,500,000	491,500	241,475	2,767,025	Semi-Annually Feb. 1, 1961 to Aug. 1, 1972
Conditional Sale Agreement No. 5 August 1, 1957 5½%	175—70 ton Triple hopper cars Nos. 22326 to 22500 Inc.	1,452,500	212,802	96,834	1,142,864	Semi-Annually Feb. 1, 1961 to Aug. 1, 1972
Conditional Sale Indebtedness Agreement March 1, 1960 5¾%	8—1800 horsepower Model GP-18 Diesel Electric Road Switching locomotives Nos. 171 to 178 Inc. 60—90 ton PS-2 covered hopper cars with roller bearings and steel wheels. Nos. 1200 to 1259 Inc. 40—70 ton PS-2 covered hopper cars with roller bearings and steel wheels. Nos. 960 to 999 Inc.	2,605,200	....	86,840	2,518,360	Semi-Annually March 1, 1961 to March 1, 1975
	Total	$ 40,473,761	$ 13,835,372	$ 2,648,002	$ 23,990,387	

PAYMENTS MATURING IN YEARS ENDING:

December 31, 1961	$ 2,650,832
December 31, 1962	2,635,832
December 31, 1963	2,597,012
December 31, 1964	2,577,602
December 31, 1965	2,418,158
December 31, 1966	$ 2,179,917
December 31, 1967	2,164,680
December 31, 1968	1,824,680
December 31, 1969	1,460,680
December 31, 1970	1,283,680
December 31, 1971	$ 1,065,680
December 31, 1972	697,434
December 31, 1973	173,680
December 31, 1974	173,680
December 31, 1975	86,840
TOTAL	$23,990,387

* The balance outstanding includes $1,040,162 due from Savannah and Atlanta Railway Company (payable $49,532 semi-annually), for 300 box cars purchas ed for them under Equipment Trust "B."

CONSOLIDATED INCOME STATEMENT

TABLE 8

Consolidated Income Account and Consolidated Retained Income—Unappropriated, Dec. 31, 1960 - December 31, 1959 and Income Account and Retained Income—Unappropriated of Each Subsidiary Before Intercorporate Eliminations

Item No.	Item	Consolidated Totals After Intercorporate Eliminations		Central of Georgia Railway Company	Savannah & Atlanta Railway Company	Ocean Steamship Company of Savannah	Central of Georgia Motor Transport Company
		Year 1960	Year 1959				
	I. OPERATING INCOME						
	A. Railway Operating Income						
1	Operating revenues	$ 47,106,818	$ 49,210,891	$ 41,798,258	$ 4,333,286	$	$ 749,319
2	Operating expenses	41,101,294	40,958,646	36,952,594	3,326,374		627,369
3	Net revenue from operations	6,005,524	8,252,245	4,845,664	1,006,912		121,950
4	Tax accruals	3,872,998	3,756,962	3,325,423	406,713		114,509
5	Operating income	2,132,526	4,495,283	1,520,241	600,199		7,441
	B. Rent Income						
6	Hire of freight cars—Credit balance	41,731	66,939	98,595			
7	Rent from locomotives	160,004	153,328	172,004			
8	Rent from passenger train cars	485,883	417,253	485,883			
9	Rent from work equipment	8,770	8,747	8,468	302		
10	Joint facility rent income	184,113	262,728	183,513			
11	Total rent income	880,501	908,995	948,463	302		
	C. Rents Payable						
12	Hire of freight cars—Debit balance	128,018	54,393		157,242		
13	Rent for locomotives	165,165	140,273	165,165			
14	Rent for passenger train cars	405,862	395,681	405,862			
15	Rent for work equipment	6,592	2,753	2,627	3,965		
16	Joint facility rent deductions	386,954	376,221	359,928	25,856		
17	Total rents payable	1,092,591	969,321	933,582	187,063		
18	Net rents	Dr. 212,090	Dr. 60,326	Cr. 14,881	Dr. 186,761		
19	Net Railway Operating Income	1,920,436	4,434,957	1,535,122	413,438		7,441
	II. OTHER INCOME						
20	Revenue from miscellaneous operations	168,383	186,203				
21	Income from lease of road and equipment	36,963	38,052	36,963			
22	Miscellaneous rent income	138,027	131,960	110,260	4,490		
23	Income from non-operating property	79,639	71,587	77,972	1,507		
24	Dividend income	5,671	2,977	5,671		4	
25	Interest income	470,496	220,243	354,159	12,364	230,533	3,195
26	Miscellaneous income	498,998	818,609	392,810	1,288	64,204	
27	Total other income	1,398,177	1,469,631	977,835	19,649	294,741	3,195
28	TOTAL INCOME	3,318,613	5,904,588	2,512,957	433,087	294,741	10,636
	III. MISCELLANEOUS DEDUCTIONS FROM INCOME						
29	Expenses of miscellaneous operations	154,741	138,468			12,022	
30	Miscellaneous rents	120	83	83	37		
31	Miscellaneous tax accruals	290,012	194,731	8,601		102,331	
32	Miscellaneous income charges	79,198	418,032	44,841	625	3,650	957
33	Total miscellaneous deductions	524,071	751,314	53,525	662	118,003	957
34	INCOME AVAILABLE FOR FIXED CHARGES	2,794,542	5,153,274	2,459,432	432,425	176,738	9,679
	IV. FIXED CHARGES						
35	Rent for leased road and equipment	6,872	7,962	10,187	20,000		
36	Interest on funded debt						
37	Mortgage bonds	429,103	433,566	437,712	13,099		
38	Equipment obligations, notes and advances	1,024,680	1,073,322	1,057,422	54,445		
39	Interest on unfunded debt						7,727
40	Amortization of discount on funded debt	17,837	18,195	17,837			
41	Total fixed charges	1,478,492	1,533,045	1,523,158	87,544		7,727
42	INCOME AFTER FIXED CHARGES	1,316,050	3,620,229	936,274	344,881	176,738	1,952
	V. OTHER DEDUCTIONS						
43	Interest on funded debt—Contingent interest	506,576	523,572	582,186			
44	NET INCOME TRANSFERRED TO RETAINED INCOME—UNAPPROPRIATED	809,474	3,096,657	354,088	344,881	176,738	1,952
	RETAINED INCOME—UNAPPROPRIATED						
	Credits						
45	Balance at beginning of year	27,184,350	25,480,377	17,616,862	4,835,777	4,651,734	Dr. 12,619
46	Balance transferred from income (Item 44)	809,474	3,096,657	354,088	344,881	176,738	1,952
47	Other credits to retained income	6,633		4,103			
48	TOTAL CREDITS	28,000,457	28,577,034	17,975,053	5,180,658	4,828,472	Dr. 10,667
	Debits						
49	Dividends	1,192,526	1,193,324	1,189,212	160,435		
50	Loss on sale or retirement of property		34,503				
51	Loss on sale of investment securities		1,794				
52	Other debits to retained income		253,629				
53	Appropriations for Sinking Funds	40,400	39,000		40,400		
54	Appropriations released		Cr. 129,566				
55	TOTAL DEBITS	1,232,926	1,392,684	1,189,212	200,835		
56	**Retained income—unappropriated at end of year**	$ 26,767,531	$ 27,184,350	$ 16,785,841	$ 4,979,823	$ 4,828,472	$ Dr. 10,667

CONSOLIDATED INCOME STATEMENT

TABLE 8

Consolidated Income Account and Consolidated Retained Income—Unappropriated, Dec. 31, 1960 - December 31, 1959 and Income Account and Retained Income—Unappropriated of Each Subsidiary Before Intercorporate Eliminations

Empire Land Company	Port Wentworth Corporation	Crossgate Homes Incorporated	Midland Properties Company	South Western Railroad Company	Wrightsville and Tennille Railroad Company	Louisville and Wadley Railroad Company	Wadley Southern Railway Company	Terminal Development Company	Item No.
$	$	$	$	$	$ 142,966	$ 27,438	$ 55,551	$	1
					106,401	37,106	53,267		2
					36,565	D 9,668	2,284		3
				4,427	11,883	3,195	6,848		4
				D 4,427	24,682	D 12,863	D 4,564		5
									6
									7
									8
									9
					600				10
					600				11
					19,778	2,443	5,419		12
					12,000	3,970	8,030		13
									14
									15
					900	120	150		16
					32,678	6,533	13,599		17
					Dr. 32,078	Dr. 6,533	Dr. 13,599		18
				D 4,427	D 7,396	D 19,396	D 18,163		19
	142,633	18,306	7,444					13,817	20
	20,000			3,315					21
19,474					3,351	73	379		22
					160				23
7,685	152,750								24
8,305	4,374	1,147	34,624	15,058		Dr. 185			25
26,330	7,718	16	5,469		20	1,132	11		26
61,794	327,475	19,469	47,537	18,373	3,531	1,020	390	13,817	27
61,794	327,475	19,469	47,537	13,946	D 3,865	D 18,376	D 17,773	13,817	28
11,203	112,505	13,107						5,904	29
									30
30,522	47,469	3,401	95,810		17		5	1,856	31
43,611	743	500	343	77		504			32
85,336	160,717	17,008	96,153	77	17	504	5	7,760	33
D 23,542	166,758	2,461	D 48,616	13,869	D 3,882	D 18,880	D 17,778	6,057	34
									35
									36
									37
		846			11,200		36,016		38
						52			39
									40
		846			11,200	52	36,016		41
D 23,542	166,758	1,615	D 48,616	13,869	D 15,082	D 18,932	D 53,794	6,057	42
									43
D 23,542	166,758	1,615	D 48,616	13,869	D 15,082	D 18,932	D 53,794	6,057	44
170,006	657,916	34,787	439,021	556,535	Dr. 472,516	Dr. 31,417	Dr. 2,366,083	121	45
Dr. 23,542	166,758	1,615	Dr. 48,616	13,869	Dr. 15,082	Dr. 18,932	Dr. 53,794	6,057	46
							2,530		47
146,464	824,674	36,402	390,405	570,404	Dr. 487,598	Dr. 50,349	Dr. 2,417,347	6,178	48
				3,318					49
									50
									51
									52
									53
									54
				3,318					55
$ 146,464	$ 824,674	$ 36,402	$ 390,405	$ 567,086	$ Dr. 487,598	$ Dr. 50,349	$ Dr. 2,417,347	$ 6,178	56

D—Denotes Deficit

CONSOLIDATED BALANCE SHEET

TABLE 9

Consolidated Balance Sheet, Dec. 31, 1960 - December 31, 1959 and Balance Sheet of Each Subsidiary Before Intercorporate Eliminations

ASSETS

Item No.	Assets	Consolidated Totals After Intercorporate Eliminations		Central of Georgia Railway Company	*Savannah & Atlanta Railway Company	Ocean Steamship Company of Savannah	Central of Georgia Motor Transport Company
		Year 1960	Year 1959				
	Current Assets:						
1	Cash	$ 3,210,819	$ 3,429,855	$ 2,335,775	$ 488,731	$ 52,990	$ 38,478
2	Temporary cash investments	7,040,640	8,501,665	4,029,210	300,953	1,093,211	113,056
3	Special deposits	754,508	1,043,622	394,418	332,229		23,842
4	Loans and notes receivable	16,681	3,141	2,000			
5	Traffic and car-service balances—Dr.	2,117					
6	Net balances receivable from agents and conductors	723,740	790,344	534,620	186,002		
7	Miscellaneous accounts receivable	1,401,972	1,283,448	1,356,598	17,552	584	75,332
8	Interest and dividends receivable	15,308	60,278	28,157	2,302	186,845	
9	Accrued accounts receivable	786,341	871,039	784,305	169		
10	Working fund advances	42,618	33,587	41,472	785		
11	Prepayments	126,588	112,397	70,062	36,536		11,937
12	Material and supplies	3,267,643	3,349,994	2,818,831	426,871		6,573
13	Other current assets	57,757	49,589	57,524	199		
14	**Total Current Assets**	17,446,732	19,528,959	12,452,972	1,792,329	1,333,630	269,218
	Special Funds:						
15	Sinking funds	10	10		10		
16	Capital and other reserve funds	646,298	119,641	646,298			
17	**Total Special Funds**	646,308	119,651	646,298	10		
	Investments:						
18	Investments in affiliated companies	1,314,606	1,311,696	14,903,143	800,967	4,664,347	
19	Other investments	2,896,447	2,792,285	1,291,893		930,000	
20	**Total Investments**	4,211,053	4,103,981	16,195,036	800,967	5,594,347	
	Properties:						
21	Road and equipment property	175,720,883	171,816,026	149,611,586	11,167,048		674,464
22	Improvements on leased property	381,108	462,974	302,395	78,713		
23	Acquisition adjustment—Cr.	*13,577,975*	*13,623,343*	*11,924,884*	*1,653,091*		
24	Donations and grants—Cr.	*1,085,305*	*1,061,661*	*1,031,516*	*23,546*		
25	Total transportation property	161,438,711	157,593,996	136,957,581	9,569,124		674,464
26	Accrued depreciation—Road and equipment—Cr.	*37,615,236*	*34,811,748*	*34,071,295*	*2,397,813*		*450,798*
27	Accrued amortization of defense projects—Road and equipment—Cr.	*9,019,631*	*9,197,163*	*9,019,631*			
28	Total transportation property less recorded depreciation and amortization	114,803,844	113,585,085	93,866,655	7,171,311		223,666
29	Miscellaneous physical property	5,647,697	5,611,801	2,427,358	133,525		
30	Accrued depreciation—Miscellaneous physical property—Cr.	*501,204*	*480,830*	*210,591*	*42,068*		
31	**Total Properties Less Recorded Depreciation and Amortization**	119,950,337	118,716,056	96,083,422	7,262,768		223,666
	Other Assets and Deferred Charges:						
32	Other assets	253,844	216,102	253,844			
33	Unamortized discount on long-term debt	125,730	134,232	125,730			
34	Other deferred charges	717,387	617,152	672,653	39,857	469	749
35	**Total Other Assets and Deferred Charges**	1,096,961	967,486	1,052,227	39,857	469	749
36	**Grand Total Assets**	$ 143,351,391	$ 143,436,133	$ 126,429,955	$ 9,895,931	$ 6,928,446	$ 493,633

Italics Denote Credits

* Subsidiaries owned through Empire Land Company.

CONSOLIDATED BALANCE SHEET

TABLE 9

Consolidated Balance Sheet, Dec. 31, 1960 - December 31, 1959 and Balance Sheet of Each Subsidiary Before Intercorporate Eliminations

ASSETS

Empire Land Company	*Port Wentworth Corporation	*Crossgate Homes Incorporated	*Midland Properties Company	South Western Railroad Company	Wrightsville and Tennille Railroad Company	Louisville and Wadley Railroad Company	Wadley Southern Railway Company	*Terminal Development Company	Item No.
$ 176,481	$ 12,261	$ 9,467	$ 1,366	$ 14,770	$ 59,496	$ 8,314	$ 7,948	$ 4,742	1
198,512	118,147	29,699	910,483	247,369					2
	4,019								3
14,681									4
							2,117		5
					3,101	11	6		6
4,837	6,488	612		4,786	7,312	4,815	1,291	2	7
20				814					8
					1,420	173	274		9
	300				41	7	13		10
	5,728	1,102			873	170	180		11
	2,460				8,794	951	3,163		12
					8	6	20		13
394,531	149,403	40,880	911,849	267,739	81,045	14,447	15,012	4,744	14
									15
									16
									17
3,316,779	342,766								18
	550,398			124,156					19
3,316,779	893,164			124,156					20
				13,285,100	397,278	90,150	357,068	138,189	21
									22
									23
				10,786	*9,453*	*2,295*	*7,709*		24
				13,274,314	387,825	87,855	349,359	138,189	25
				601,146	*48,528*	*15,810*	*14,159*	*15,687*	26
									27
				12,673,168	339,297	72,045	335,200	122,502	28
2,309,246	364,767	126,415	279,523		5,986		877		29
10,381	*177,245*	*60,919*							30
2,298,865	187,522	65,496	279,523	12,673,168	345,283	72,045	336,077	122,502	31
									32
									33
784				186,216	2,806			69	34
784				186,216	2,806			69	35
$ 6,010,959	$ 1,230,089	$ 106,376	$ 1,191,372	$ 13,251,279	$ 429,134	$ 86,492	$ 351,089	$ 127,315	36

Italics Denote Credits

* Subsidiaries owned through Empire Land Company.

CONSOLIDATED BALANCE SHEET

TABLE 9

Consolidated Balance Sheet, Dec. 31, 1960 - December 31, 1959 and Balance Sheet of Each Subsidiary Before Intercorporate Eliminations

LIABILITIES

Item No.	Liabilities and Shareholders' Equity	Consolidated Totals After Intercorporate Eliminations		Central of Georgia Railway Company	*Savannah & Atlanta Railway Company	Ocean Steamship Company of Savannah	Central of Georgia Motor Transport Company
		Year 1960	Year 1959				
	Current Liabilities:						
37	Traffic and car-service balances—Cr.	$ 1,103,692	$ 953,656	$ 507,950	$ 546,932	$	$
38	Audited accounts and wages payable	1,366,957	1,467,534	1,150,670	204,774	790	70,836
39	Miscellaneous accounts payable	629,398	625,357	592,999	16,509	132	7,796
40	Interest matured unpaid	248,614	256,068	347,605			
41	Dividends matured unpaid	3,497	3,306				
42	Unmatured interest accrued	804,281	807,552	888,049	18,140		
43	Accrued accounts payable	2,395,005	2,224,374	2,311,517	79,622		440
44	Federal income taxes accrued	200,478	249,981		78,043	93,027	
45	Other taxes accrued	269,864	288,683	242,179	11,692	6,025	4,551
46	Other current liabilities	625,058	604,289	528,717	96,178		
47	**Total Current Liabilities**	7,646,844	7,480,800	6,569,686	1,051,890	99,974	83,623
	Long-Term Debt Due Within One year—						
48	Equipment obligations and other debt	2,941,610	2,909,670	2,780,399	258,063		
	Long-Term Debt (Due After One Year):						
49	Funded debt unmatured	21,595,920	22,224,684	23,628,933	368,000		
50	Equipment obligations	21,579,175	21,918,306	21,339,555	239,620		
51	Amounts payable to affiliated companies			2,934,500	941,099		154,504
52	**Total Long-Term Debt**	43,175,095	44,142,990	47,902,988	1,548,719		154,504
	Other Liabilities and Deferred Credits:						
53	Other liabilities	131,956	78,210	128,123			173
54	Other deferred credits	1,197,865	320,043	1,081,870	865		
55	Accrued depreciation—Leased property	241,554	252,957	408,286	19,484		
56	**Total Other Liabilities and Deferred Credits**	1,571,375	651,210	1,618,279	20,349		173
	Shareholders' Equity:						
	Capital stock:						
57	Common	33,723,400	33,723,800	33,724,200	604,000	1,999,200	266,000
58	Preferred	17,039,400	17,039,400	17,039,400	708,700		
59	Total	50,762,800	50,763,200	50,763,600	1,312,700	1,999,200	266,000
60	Minority interest in subsidiaries' capital stock	376,700	376,700			800	
61	Total capital stock	51,139,500	51,139,900	50,763,600	1,312,700	2,000,000	266,000
	Capital Surplus:						
62	Paid-in	185,149	185,149	9,162	175,987		
63	Other	355,464	355,464				
64	Total	540,613	540,613	9,162	175,987		
65	Writeup of invested capital	7,486,032	7,486,032				
66	Excess of equities in subsidiary companies over investments therein	1,487,412	1,345,589				
67	Total	8,973,444	8,831,621				
	Retained Income:						
68	Appropriated	595,379	554,979		548,400		
69	Unappropriated	26,767,531	27,184,350	16,785,841	4,979,823	4,828,472	*10,667*
70	Total retained income	27,362,910	27,739,329	16,785,841	5,528,223	4,828,472	*10,667*
71	**Total Shareholders' Equity**	88,016,467	88,251,463	67,558,603	7,016,910	6,828,472	255,333
72	**Grand Total Liabilities and Shareholders' Equity**	$ 143,351,391	$ 143,436,133	$ 126,429,955	$ 9,895,931	$ 6,928,446	$ 493,633

Italics Denote Debits

* Subsidiaries owned through Empire Land Company.

CONSOLIDATED BALANCE SHEET

TABLE 9

Consolidated Balance Sheet, Dec. 31, 1960 - December 31, 1959 and Balance Sheet of Each Subsidiary Before Intercorporate Eliminations

LIABILITIES

Empire Land Company	*Port Wentworth Corporation	*Crossgate Homes Incorporated	*Midland Properties Company	South Western Railroad Company	Wrightsville and Tennille Railroad Company	Louisville and Wadley Railroad Company	Wadley Southern Railway Company	*Terminal Development Company	Item No.
$	$	$	$	$	$ 25,257	$ 23,035	$ 518	$	37
2,582					5,306	6,227	2,227		38
	9,014	1,348		219	1,383	134	262		39
					33,600	1,109			40
				1,330	37	3,000			41
									42
					2,440	343	643		43
	21,892	906		5,380				1,230	44
	3,500	78		132	1,203	45	372	87	45
					155	1	7		46
2,582	34,406	2,332		7,061	69,381	33,894	4,029	1,317	47
		2,211							48
82,956		15,431							49
									50
5,369,521			608,779		224,000	5,000	1,355,517	109,820	51
5,452,477		15,431	608,779		224,000	5,000	1,355,517	109,820	52
							3,660		53
109,436	5,545					149			54
									55
109,436	5,545					149	3,660		56
300,000	10,000	50,000	1,000	5,080,500	278,300	38,200	8,600	10,000	57
					70,000	29,000			58
300,000	10,000	50,000	1,000	5,080,500	348,300	67,200	8,600	10,000	59
				110,600	251,700	12,200	1,400		60
300,000	10,000	50,000	1,000	5,191,100	600,000	79,400	10,000	10,000	61
			191,188				1,390,000		62
	355,464								63
	355,464		191,188				1,390,000		64
				7,486,032					65
									66
				7,486,032					67
					23,351	18,398	5,230		68
146,464	824,674	36,402	390,405	567,086	*487,598*	*50,349*	*2,417,347*	6,178	69
146,464	824,674	36,402	390,405	567,086	*464,247*	*31,951*	*2,412,117*	6,178	70
446,464	1,190,138	86,402	582,593	13,244,218	135,753	47,449	*1,012,117*	16,178	71
$ 6,010,959	$ 1,230,089	$ 106,376	$ 1,191,372	$ 13,251,279	$ 429,134	$ 86,492	$ 351,089	$ 127,315	72

Italics Denote Debits

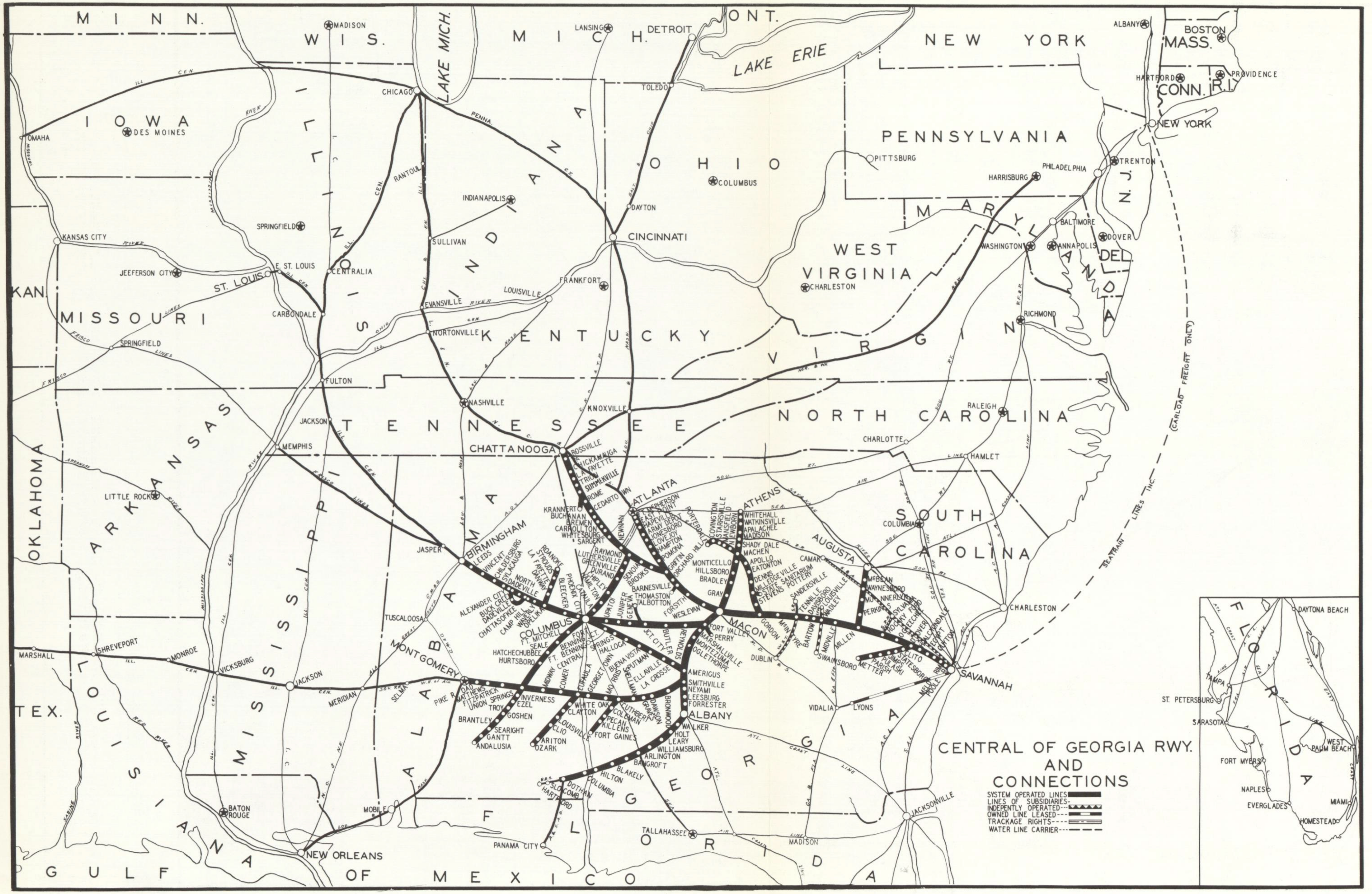
* Subsidiaries owned through Empire Land Company.

CLASSIFICATION OF REVENUE FREIGHT

TABLE 10

For the Years Ended December 31, 1960 and 1959

Commodity	1960		1959		+ Increase — Decrease	Per Cent
	Number of Tons (2,000 Lbs.)	Per Cent of Total	Number of Tons (2,000 Lbs.)	Per Cent of Total		
Products of Agriculture:						
Wheat, corn, oats and other grain	115,079	0.62	87,619	0.46	+ 27,460	31.34
Flour and meal	239,907	1.29	261,849	1.37	— 21,942	8.38
Other mill products	75,224	0.41	66,826	0.35	+ 8,398	12.57
Hay, straw and alfalfa	2,480	0.01	2,036	0.01	+ 444	21.81
Tobacco	3,625	0.02	4,727	0.02	— 1,102	23.31
Cotton	259,511	1.39	272,603	1.42	— 13,092	4.80
Peaches	16,669	0.09	14,640	0.08	+ 2,029	13.86
Oranges, lemons and pineapples	30,605	0.16	34,119	0.18	— 3,514	10.30
Watermelons	2,170	0.01	1,395	0.01	+ 775	55.56
Other fruits	38,807	0.21	45,919	0.24	— 7,112	15.49
Vegetables, dried fruits and potatoes	135,682	0.73	139,000	0.73	— 3,318	2.39
Cotton seed	2,210	0.01	3,306	0.02	— 1,096	33.15
Cotton seed meal and hulls	17,349	0.09	12,879	0.06	+ 4,470	34.71
Other products of agriculture	152,654	0.82	166,965	0.87	— 14,311	8.57
Peanuts	66,407	0.36	47,629	0.25	+ 18,778	39.43
Total	1,158,379	6.22	1,161,512	6.07	— 3,133	0.27
Animals and Products:						
Live stock	977	0.01	1,584	0.01	— 607	38.32
Fresh meats	37,019	0.20	41,533	0.22	— 4,514	10.87
Other packing house products	56,016	0.30	73,316	0.38	— 17,300	23.60
Poultry, game and fish	2,164	0.01	905	0.00	+ 1,259	139.12
Wool	3,550	0.02	9,353	0.05	— 5,803	62.04
Hides and leather	2,452	0.01	2,559	0.01	— 107	4.18
Other products of animals	5,702	0.03	4,797	0.03	+ 905	18.87
Total	107,880	0.58	134,047	0.70	— 26,167	19.52
Products of Mines:						
Bituminous coal	2,025,212	10.88	2,221,818	11.62	— 196,606	8.85
Coke	24,693	0.13	27,609	0.15	— 2,916	10.56
Ores	537,901	2.89	666,703	3.49	— 128,802	19.32
Clay, gravel, sand and stone	4,072,184	21.88	3,824,492	20.00	+ 247,692	6.48
Other products of mines	972,135	5.22	965,503	5.05	+ 6,632	0.69
Total	7,632,125	41.00	7,706,125	40.31	— 74,000	0.96
Products of Forests:						
Lumber	477,859	2.57	531,498	2.78	— 53,639	10.09
Rosin and turpentine	15,498	0.08	16,589	0.09	— 1,091	6.58
Other products of forests	211,183	1.14	180,533	0.94	+ 30,650	16.98
Pulpwood	2,334,395	12.54	2,404,629	12.58	— 70,234	2.92
Total	3,038,935	16.33	3,133,249	16.39	— 94,314	3.01
Manufactures and Miscellaneous:						
Refined petroleum and its products	409,256	2.20	447,495	2.34	— 38,239	8.55
Cotton seed oil	72,253	0.39	58,846	0.31	+ 13,407	22.78
Other oils	82,419	0.44	88,929	0.46	— 6,510	7.32
Sugar, syrup, glucose and molasses	124,072	0.67	112,871	0.59	+ 11,201	9.92
Iron—pig and bloom	35,076	0.19	44,063	0.23	— 8,987	20.40
Rails and fastenings	1,759	0.01	2,162	0.01	— 403	18.64
Other castings and machinery	93,044	0.50	114,763	0.60	— 21,719	18.93
Bar and sheet metal	240,056	1.29	210,019	1.10	+ 30,037	14.30
Cement	641,912	3.45	661,203	3.46	— 19,291	2.92
Brick	206,955	1.11	235,416	1.23	— 28,461	12.09
Lime	19,693	0.10	24,494	0.13	— 4,801	19.60
Agricultural implements, vehicles other than automobiles	28,051	0.15	20,982	0.11	+ 7,069	33.69
Automobiles and auto trucks	154,332	0.83	218,782	1.14	— 64,450	29.46
Household goods and furniture	31,310	0.17	29,409	0.15	+ 1,901	6.46
Cotton factory products	34,634	0.19	31,910	0.17	+ 2,724	8.54
Fertilizer	1,035,408	5.56	1,038,356	5.43	— 2,948	0.28
Fertilizer materials	124,783	0.67	129,956	0.68	— 5,173	3.98
Other manufactures	3,303,612	17.75	3,467,494	18.14	— 163,882	4.73
Total	6,638,625	35.67	6,937,150	36.28	— 298,525	4.30
Grand Total, Carload Traffic	18,575,944	99.80	19,072,083	99.75	— 496,139	2.60
All Less Carload Freight	37,960	0.20	46,975	0.25	— 9,015	19.19
Grand Total, Carload and Less Carload Traffic	18,613,904	100.00	19,119,058	100.00	— 505,154	2.64



CENTRAL OF GEORGIA RWY.
AND
CONNECTIONS

SYSTEM OPERATED LINES
LINES OF SUBSIDIARIES-
INDEPENTLY OPERATED---
OWNED LINE LEASED---
TRACKAGE RIGHTS----
WATER LINE CARRIER---
MINN.
WIS.
MICH.
ONT.
NEW YORK
MASS.
CONN.
R.I.
IOWA
ILLINOIS
INDIANA
OHIO
PENNSYLVANIA
N.J.
MARYLAND
DEL.
WEST VIRGINIA
VIRGINIA
KAN.
MISSOURI
KENTUCKY
TENNESSEE
NORTH CAROLINA
SOUTH CAROLINA
OKLAHOMA
ARKANSAS
MISSISSIPPI
ALABAMA
GEORGIA
TEX.
LOUISIANA
FLORIDA
GULF OF MEXICO
LAKE MICH.
LAKE ERIE
MADISON
LANSING
DETROIT
ALBANY
BOSTON
HARTFORD
PROVIDENCE
NEW YORK
OMAHA
DES MOINES
CHICAGO
TOLEDO
PITTSBURG
HARRISBURG
PHILADELPHIA
TRENTON
RANTOUL
INDIANAPOLIS
COLUMBUS
DAYTON
BALTIMORE
DOVER
ANNAPOLIS
WASHINGTON
SPRINGFIELD
KANSAS CITY
SULLIVAN
CINCINNATI
JEFFERSON CITY
E. ST. LOUIS
ST. LOUIS
CENTRALIA
FRANKFORT
LOUISVILLE
CHARLESTON
CARBONDALE
EVANSVILLE
NORTONVILLE
RICHMOND
SPRINGFIELD
FULTON
NASHVILLE
KNOXVILLE
RALEIGH
JACKSON
MEMPHIS
CHATTANOOGA
ROSSVILLE
CHICKAMAUGA
LAFAYETTE
TRION
SUMMERVILLE
CHARLOTTE
HAMLET
LITTLE ROCK
ROME
CEDARTOWN
ATLANTA
ATHENS
KRANNERT
BUCHANAN
BREMEN
CARROLLTON
WHITESBURG
SARGENT
NEWNAN
MCPHERSON
EAST POINT
HAPEVILLE
ARMY DEPOT
JONESBORO
LOVEJOY
HAMPTON
POMONA
GRIFFIN
ORCHARD HILL
PORTERDALE
COVINGTON
STARRSVILLE
MANSFIELD
NEWBORN
WHITEHALL
WATKINSVILLE
APALACHEE
MADISON
SHADY DALE
MACHEN
APOLLO
EATONTON
MONTICELLO
HILLSBORO
BRADLEY
GRAY
DENNIS
MILLEDGEVILLE
STATE SANITARIUM
STEVENS POTTERY
COLUMBIA
AUGUSTA
CAMAK
MCBEAN
WAYNESBORO
PERKINS
COLUMBIA
CHARLESTON
JASPER
BIRMINGHAM
LEEDS
VINCENT
CHILDERSBURG
SYLACAUGA
DADEVILLE
NORTH
ROANOKE
LA FAYETTE
BLEECKER
ALEXANDER CITY
BUCK CREEK
DADEVILLE
CHATTASOFKEE
CAMP HILL
OPELIKA
RAYMOND
LUTHERSVILLE
GREENVILLE
DURAND
UPATOI
JUNIPER
GENEVA
THOMASTON
TALBOTTON
BARNESVILLE
FORSYTH
WESLEYAN
MACON
FORT VALLEY
PERRY
REYNOLDS
BUTLER
MARSHALLVILLE
MONTEZUMA
OGLETHORPE
AMERICUS
SMITHVILLE
NEYAMI
LEESBURG
FORRESTER
ALBANY
WALKER
HOLT
LEARY
WILLIAMSBURG
ARLINGTON
BANCROFT
BLAKELY
HILTON
COLUMBIA
DOTHAN
HARTFORD
PANAMA CITY
GORDON
DUBLIN
BARTOW
TENNILLE
DAVISBORO
LOUISVILLE
WADLEY
MIDVILLE
MILLEN
SWAINSBORO
METTER
STATESBORO
SAVANNAH
VIDALIA
LYONS
TUSCALOOSA
COLUMBUS
FT. MITCHELL
SEALE
HATCHECHUBBEE
HURTSBORO
MONTGOMERY
PIKE R.
MATTHEWS
FITZPATRICK
UNION SPRINGS
TROY
EZEL
INVERNESS
GOSHEN
BRANTLEY
SEARIGHT
GANTT
ANDALUSIA
ARITON
OZARK
CLIO
LOUISVILLE
CLAYTON
WHITE OAK
EUFAULA
GEORGETOWN
CUTHBERT
COLEMAN
PECAN
KILLENS
FORT GAINES
DAWSON
BRONWOOD
BUENA VISTA
ELLAVILLE
LA CROSSE
MARSHALL
SHREVEPORT
MONROE
VICKSBURG
JACKSON
MERIDIAN
SELMA
MOBILE
BATON ROUGE
NEW ORLEANS
TALLAHASSEE
MADISON
JACKSONVILLE
SEATRAIN LINES INC.
(CARLOAD FREIGHT ONLY)
DAYTONA BEACH
ST. PETERSBURG
TAMPA
SARASOTA
WEST PALM BEACH
FORT MYERS
NAPLES
EVERGLADES
MIAMI
HOMESTEAD
ILL. CEN.
PENNA. R.R.
BALT. & OHIO
ST. LOUIS-SAN FRANCISCO LINES
FRISCO LINES
ATL. COAST LINE
SEA. AIR LINE
SOU. RY.
NOR. & WN.
L. & N.
N.C. & ST. L.

CENTRAL
OF
GEORGIA

KENNICKELL — SAVANNAH